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OF CANADA  
Vol. X



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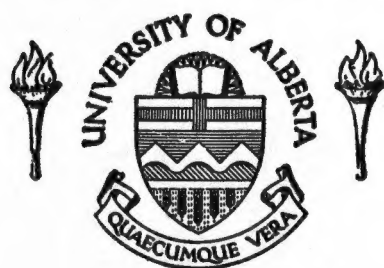


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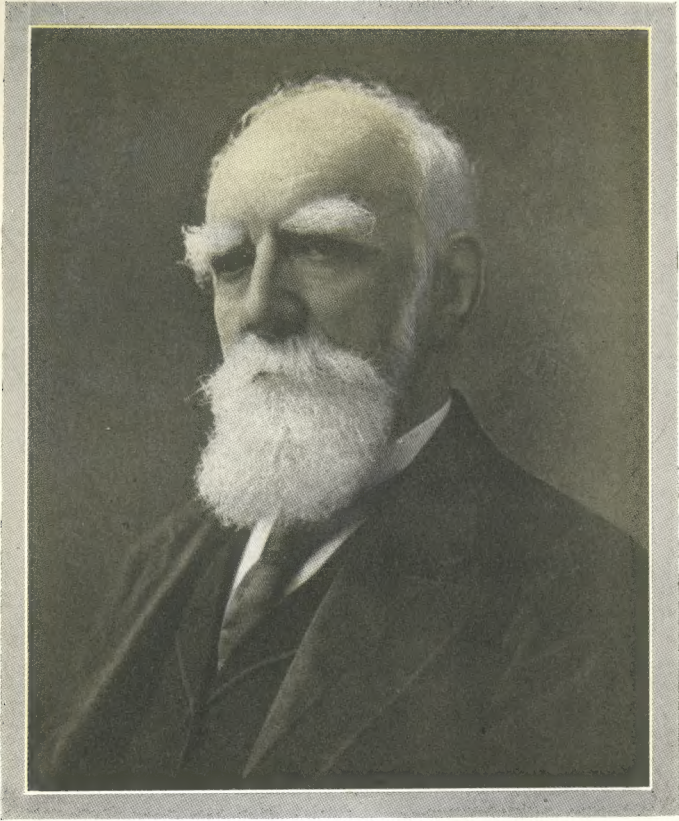
Vol. X

LORD STRATHCONA

SIR WILLIAM VAN HORNE







LORD STRATHCONA AND MOUNT ROYAL

*From a photograph by Lafayette*

THE MAKERS OF CANADA SERIES

Anniversary Edition

# LORD STRATHCONA

BY

JOHN MACNAUGHTON

*Illustrated under the direction of A. G. Doughty, C.M.G., Litt.D.  
Deputy Minister, Public Archives of Canada*

LONDON AND TORONTO  
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## PREFACE

**T**HE following volume was in the main written in 1917, when its author was a Professor at McGill University in Montreal. Lord Strathcona had recently died, and Professor Macnaughton had the advantage not only of being able to read the newly published lives by Mr. Beckles Willson, and Mr. W. T. R. Preston, but also of his own long acquaintance with Lord Strathcona, and his Montreal *entourage*. Nor was it a small advantage that he himself had been born and had spent his earlier years in the same county of Scotland as Donald Alexander Smith, and that he was a graduate of the University of Aberdeen, of which he sings the praises in his opening chapter. In his historical researches he was assisted by Mrs. Logie Macdonnell, now Dean of Women and Lecturer in English history in the University of Manitoba.

The manuscript, as eventually delivered to the then publishers of the series, was too long and at times too controversial. It lay for some years neglected, till, in 1925, it came into the hands of the present editor. I had not read far before I perceived that I had in my hands the makings of a very striking, and indeed great, if at times, unconventional biography. Professor

## LORD STRATHCONA

Macnaughton with great generosity gave me *carte blanche* to deal with the manuscript as I wished, and with the assistance in the five first chapters of Mr. T. G. Marquis I have regretfully hacked into the living flesh, and produced the volume which follows. In the chapter dealing with the financing of the C. P. R., I have been most courteously assisted in verifying the references by Mr. H. A. Innis, Lecturer in Political Economy in the University of Toronto, author of the standard *History of the Canadian Pacific Railway*.

In thus dealing with Professor Macnaughton's manuscript, I have at times been driven by considerations both of space and of prudence to excise comments upon life and character, Canadian and otherwise, which I would fain have dared to publish; but these excisions I have endeavoured to reduce to the minimum; in a few instances, I have compressed long paragraphs into my own briefer, if less vivid language; but these cases are few, and in no case have I altered the author's meaning.

The result is a book which in my opinion is one of the outstanding volumes of this series. At least, if it is not so, the fault is my own, and not that of the author. Surely no one can question that again and again Professor Macnaughton goes with pungent phrase to the heart of a truth or of a falsehood, that he touches nothing out of

## PREFACE

which he does not strike fire, that there is a spirit in his heart and a vocabulary at the end of his tongue which raises his volume far above all annalistic dry-as-dusts, or even mere lucid chroniclers, that in his *Life of Lord Strathcona* he reveals the essential character of the man, as has not been done before, that he neither extenuates nor sets down aught in malice, and that in doing so he casts a new and piercing light upon more than one period in the history of Canada. Professor Macnaughton is nothing if not outspoken, and I have once and again ventured to expunge some of the more Carlylean of his paragraphs and his phrases. But enough remains to give the book more than a touch of piquancy, and indeed of controversy, and for the opinions expressed he is responsible, not I. Friends of the late Sir John Schultz will agree neither with the account of that stormy petrel of Manitoban politics; nor with the disparaging references to Ontario Orangemen. God fulfils Himself in many ways; the Orangemen certainly, and perhaps even the earth-born Titan Schultz, helped to fulfil God's purpose of bringing the West into the Canadian Federation. Many other opinions in the book, such as the eulogy passed upon the financing of the C. P. R., and the author's touching belief in the superlative honesty of paying dividends out of capital, may not go unquestioned. But of its essential sincerity and fearlessness; and

## LORD STRATHCONA

what is more, of its essential insight and right-headedness, there can be no doubt.

When I first knew Professor Macnaughton, it was my privilege to sit under him as a student in Classics at Queen's University, and to have him illumine for me as no other has ever done the wisdom of Æschylus, the Greek Preacher of Righteousness, and of Thucydides, the most statesmanlike of historians. Thence he went to McGill, and thence after many years to the University of Toronto. As his friend, Professor Stephen Leacock said of him, he circulated among the Canadian Universities as current coin of the realm of knowledge. He is now enjoying a well-earned rest in Italy, by the blue Mediterranean or the still bluer waters that lap the Sirmio of his loved Catullus. My one regret is that he is not here to assist me in passing these proofs for the press; my chief hope is that he will not feel that I have shown an excess of prudence in my eliminations.

W. L. GRANT.

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## CHAPTER I

### INTRODUCTORY

IN the autumn of 1906 the writer of this biography was delegated to represent Queen's University, Kingston, Ontario, at the Quater-Centenary Festival of his Scottish Alma Mater, the University of Aberdeen. No one who took part in that fête can ever forget its brilliance. Luxuriance seemed out of place in the austere surroundings of Aberdeen; but the Aberdonian is not without a modest consciousness of his superior fitness to survive in a stern world. "Tak' awa Aberdeen," he says, "and twal' mile roond aboot and whaur are ye?" It took a race of steel to wring bread from that grim "German" ocean with its throat-cutting "haars" and wild storms, and from those peaty moorlands spread thin over the rock. But now the Dorian mood of this hard-living and tight-gripping folk had changed for once to the most Corinthian abandon of lavish gaiety and revel. It was in keeping with their character that their rare Saturnalia should frolic around the knees of Athene. Nothing could be too good for the old University, the mother of their glory and their gain! For her the sacred "saxpences" might well go bang. And so, like an aloe tree, the granite city on

## LORD STRATHCONA

the cold North Sea had at last unclosed its slumbering flower after four hundred years of greyness. Colour ran riot everywhere in the profuse decorations of the principal streets as well as in the gorgeous robes of academic dignitaries who, to honour this occasion, had flocked from Europe, Asia, Africa, and America.

The summer had been as abominable as only a Scottish summer can be. Fine weather is apt indeed to be rare in Scotland. It is, in the immortal phrase of Andrew Fairservice, one large "Parish of Dreepdailie" where, if ever a dry day happens to stray along, "the Sawbath," or in this case a University Quater-Centenary celebration "comes and licks it up." The Festival was blessed by the one lucid interval of the year's weather, and at such times the humid atmosphere is not all a curse. It gives a glamour of depth and distance to the landscape. Nothing is hard or prosaic; everything seeming to have the gloss and lustre of a pebble under water. Hill and dale are steeped in a transfiguring medium of large soft light and clean bewitching air. When the sun takes the pains to shine in Scotland he has something worth while to illumine. He did shine during all these festival days, whose perfect sweetness was surpassed only, if possible, by the nights when the sullen sea softened into azure and rippling silver beneath the smile of the big benignant harvest moon. The innermost citadel of dour old Scotland's dourness

## AN AGED MERLIN

had blossomed into the joy and beauty which is at the heart of that wholesome austerity. It was as if a magician had waved over the drab old town his liberating wand and sung the incantation of the Canticle: "The winter is past, the rain is over and gone....the time of the singing of birds is come."

A magician had indeed been at work, an aged Merlin, who looked the part, the Lord Chancellor of Aberdeen University at this moment of its tardy but dazzling apogee, the contemporary of well nigh a quarter of its secular duration. It would have been quite impossible to find a more appropriate or symbolic figure for that high place at that historic hour. The man was in every sense at home there and in his glory.

Some five feet nine of the toughest kind of human stuff, usually with a tall grey hat on top, but now with gold-tasselled trencher-cap matching the purple and crimson robes of the great occasion, a very unassuming and benevolent figure of a man; soft voice with just a lingering suspicion of the original caressing Highland drawl, persuasive and homely yet flowing and musically rounded speech, the express echo of sweet reasonableness, full of a grave and simple courtesy; and then that unmistakable dome of mingled sagacity and power in the massive head bearded and crowned with snow, with the strong straight nose, forehead broad rather than high, and the mild light of forward-

## LORD STRATHCONA

looking grey-blue eyes under the formidable penthouse of tremendously bushy leonine white eye-brows. A head for wise counsel and action, both cautious and bold; the right centre for a board of Venetian or English merchants, a group of senators, or the constellation of an Academic Sanhedrim. Such was the impression made upon the eye by this octogenarian Merlin, who almost seventy years before had left Aberdeen a humble peasant lad to seek his fortune in the Canadian wilderness and who was now Lord Strathcona and Mount Royal, one of the foremost builders of the British Empire.

On this occasion he performed two deeds that to many of those gathered about him had in them a touch of the miraculous, and that raised this festival to a lustre quite unique among its kind. He had, for one thing, brought the King of England to Aberdeen. His Majesty, was, it is true, in a way an Aberdeenshire country gentleman. His favourite residence, as his mother's before him had been,—it showed their taste,—was in the valley of the Dee with its glorious mountains, the grandest valley in all Scotland. He could, therefore, be the more easily moved to confer a special distinction upon the chief city of a district with which he and his family had long peculiarly identified themselves. But, we may well suspect, that was not the really determining cause of his presence. King Edward VII was, among his other royal qualities, an

## KING EDWARD VII

infallible judge of men, and had the greatest esteem and even affection for Lord Strathcona. He called him "Uncle Donald." He had found him in time of difficulty a real *Pater Patriæ* and therefore the right sort not only of "King's Cousin" but even of King's Uncle. For during the trouble in South Africa six years before Baron Strathcona and Mount Royal had for the first time in many hundred years—from the spring of rejuvenation beyond the Atlantic—revived the best feudal traditions of the British House of Peers, and, as a free-will offering to the Empire which he had long served with all his heart and strength, had entirely at his own costs raised and equipped a splendid regiment of Canadian cavalry. That was the kind of man whom the King delighted to honour.

The immediate purpose of the Royal visit was to open certain fine new buildings which now complete the Quadrangle of Marischal College, one of the two colleges in Aberdeen which together make the University, the other being King's College in the Old Town by the banks of the Don. This beautiful façade with its noble towers was of course of granite. But that hard stone has been incredibly spiritualized there into the lightest and airiest tracery—no bad emblem of what the old College has made of the very similar human raw material given to it for shaping. The quadrangle was packed with ladies and academic personages in

## LORD STRATHCONA

the full glory of their many coloured gowns and robes, seated on chairs in the bright, soft, mild, autumn sunshine—an assembly of some four thousand, all turned towards the platform which had been raised across the new propylæa, watching for the King's appearance. He came at last, accompanied by Queen Alexandra, who looked the tall graceful young woman which it seemed her inalienable prerogative always to remain. The Principal of the University, the Rev. Dr. Marshall Lang, an orator by profession and endowed with unusual power of elocution, read an address of welcome. Even those who, like myself, sat pretty well forward could not hear the eloquent speaker. Then the King replied. He seemed not to exert himself, but every word he uttered was heard by all present in that huge gathering. It was the voice of one born to rule, not a tall man but every inch a king.

But there was one other unique and almost barbaric dash of splendour that distinguished these festivities, a second miracle which taxed to the uttermost the ingenuity even of the ancient wizard who was the Prospero of the pageant. Those who had long known Strathcona were well aware that his dearest foible was a certain Highland hospitality *à outrance*. He was, he reflected, the head of this great household. All these distinguished strangers from the ends of the earth were his guests, and all the students and Alumni of the

## AN ARTIST IN HOSPITALITY

University were his family. He must needs therefore—the inference was self-evident to him—break bread with all of them. Without that crowning festive touch the whole proceedings would have seemed to this artist in hospitality and magnificence to end in an intolerable anti-climax. Accordingly he announced his intention to give a dinner on the required scale and issued orders to send out the invitations. He was naturally told that the thing was a sheer impossibility. His little party would consist of some two thousand five hundred persons and there was no hall in the city of Aberdeen large enough for such a feast. They did not know their magician. Once he had made up his mind that a thing had to be done he did not recognize any more than Mirabeau or Napoleon the existence of the stupid word “impossible.” If there was no hall why not build one? Was there no open space conveniently close to their doings which might be utilized for their banquet as well as for the main purpose of the Quater-Centenary? There was in fact just the space required, an ample piece of ground, adjoining Marischal College. In a very few days the needful edifice of wood arose out of the ground, as it were, like Troy Town to the strumming of Apollo’s lyre. Most of the larger assemblies, all indeed except the monster one we have seen in the quadrangle, were held there, as well as the Gargantuan dinner party, the last astounding scene of all, in which these academic

## LORD STRATHCONA

revels soared to their culminating point and burst in a star-shower of hilarity and effulgence. This memorable banquet, the *chef d'œuvre* of the host on one very characteristic side of him, was of course in every sense the most popular exhibition of the entire series of shows. It was peculiarly the affair of the Alumni and Under-graduates, especially of the latter who could not be accommodated with seats at some of the functions. They made up for it now. Their chancellor was resolved that they should have something to remember beyond a mere admission on good behaviour in best bib and tucker to the fag end of the great feast. They sat down there in that vast hall with the best of company to a supper of the pontiffs. The most generous viands were there, the finest vintages in overflowing abundance, turtles shipped from the far Carribees, first exhibited for object lessons in the board-schools before they achieved their final immolation in the sacred cause of learning in that delectable euthanasia. It was a scene over which the imagination of Cervantes or Alexandre Dumas would have gloated. Not only the musicians and the toast-master of the Lord Mayor of London—the finest voice I ever heard, brought down at a higher fee than would have fetched a great physician, and cheap at the price—but also the very waiters, seven hundred strong and all Cockneys, had been spirited up from the vasty deep by this Gaelic counterpart of the Cymric Owen Glendower.

## THE LORD CHANCELLOR

And indeed it was quite true that in his work-a-day mood nobody could inspect both sides of a "bawbee" with a more reluctant circumspection of ceremonious leave-taking than this philanthropist, or defend his old stocking against the blandishments of impecunious plausibility with a more impregnable courtesy. That was just what emboldened him after his country fashion to come out strong on high days and holidays. He had like all true-bred North Britons a holy hatred of small dribbling leakages but was capable when thawed out by the heat of a great occasion of coming down in a highland "spate!" Surely this was such an occasion.

Who was this Count of Monte Christo and Mæcenias in one, so splendidly aware of the dignity and significance of Learning, the friend of emperors and the cynosure of all eyes, who for Queen and country could send in time of peril a regiment of his own equipping from beyond the Atlantic, and feed a sharp-set multitude of poor Scottish scholars at home? In the high place on which he shed lustre that night, reserved as it was by immemorial tradition for the most illustrious figures in the proud Scottish peerage, he was the successor to the Duke of Richmond and Gordon. His Grace while he lived had the clearest titles to that exalted position. He had been the local magnate. His birth and broad acres had made him beyond question the foremost dignitary of the

## LORD STRATHCONA

region which owned the University of Aberdeen as its intellectual centre. He was the undisputed "Cock of the North," chief of the warlike clan of the Gordons, the bearer of the most ancient kind of historic name. The present Lord Chancellor, too, here in the North had his foot no less firmly upon his native heath. He, if any man, could claim to be bone of the sturdy bone of the people who look to the Northern University as their centre of illumination. But his clan was of the bog-myrtle or the bracken rather than the oak, a sept much more numerous and widely sown than the Gordons. His name was vastly older than the Duke of Richmond's. It was plain Smith, not heightened to Smythe even for patronymic. The personal notches in it, cut by the baptising Highland minister, were the two commonest individualizing marks by which a reverend shepherd could summon one of his Highland flock—Donald Alexander.

At that enormous dinner-table of his which we have seen, there was not a single guest sitting, not the youngest undergraduate there, who owed less to universities than the Lord Chancellor. He was a graduate of the University of Labrador before becoming a D.C.L. of Oxford and an LL.D. of McGill and Aberdeen. The class-room of his many long freshman years had been one of the remotest of the Hudson's Bay Company's Labrador stores, in which he had sold much

## DEBT TO UNIVERSITIES

tobacco and much tea to Eskimos and Naskapi Indians. But he was not one of those rich wise-acres, self-made as they suppose and rather botched in bits, who think that because they are coarse men, the muses and their thread-bare ministrants may go hang. He did not bow down before the great god "big business," and sing: "I will have no other gods before thee, radiant being." He knew, to go no higher than the lowest rung of Jacob's ladder, that you cannot have shops or railways or light, heat and power companies, the improved means by which you march so proudly to your unimproved ends, without mathematicians, and no mathematicians without poor old professors like Euclid, Sylvester, James Watt, David Thompson and Clark Maxwell:—in short, that if the professor does not usually make money himself, being too much engaged with vastly more important and interesting things, he is the milldam reservoir of light, and therefore of heat and power. Lord Strathcona was perfectly aware that his indirect debt to universities was immense. He paid it magnificently like the honest, affectionate Highland Scot that he was.

There was scarcely a family in Lord Strathcona's home country, however poor, some one or other of whose scions had not risen to some fair degree of distinction and the heights where the wider view is possible. It would have been difficult to find a nest so low upon the ground that had not sheltered

## LORD STRATHCONA

an eagle, to give the brood that came after heart and hope to soar, when their turn came, with fearless eyes against the sun. No doubt there was something in the firm natural texture of the breed, in the happy blend of Saxon solidity and Celtic fire. But it was Aberdeen University above all that had done it. Its Chancellor, the graduate of Labrador, owed much to it, though he had never sat in its class-rooms. It had done much to create the quickening atmosphere his youth had breathed, to labour and fructify the soil from which he grew, to establish and disseminate the tradition which had given wings to his career. Four hundred years before this celebration in which Strathcona played the leading part, Bishop Elphinstone, prelate and statesman, as zealous a patron of learning as Strathcona, and as liberal, too, had founded King's College with its gigantic crown, on the banks of the Don. The tower of King's College had in truth been what it was meant to be, a Pharos to the North. A steady light of truth and hope and enfranchisement had reached humble homes from there even to the distant Hebrides which had once menaced it at Harlaw, making young eyes glow amid the blue peat-smoke and young hearts beat high. A shrine, too, it had been; rich in sacrifice. Fathers and mothers had toiled and pinched to send their boys there. The boys themselves, who on scant fare had climbed the steep triumphal sacred way to the citadel and temple of knowledge,

## IN THE HOUSE OF HIS FATHERS

had been no less lavish of oblation. King's had a "right divine" to wear its granite crown. It had impartially wielded the highest prerogative of royalty—proved a true fountain of honour and ennobled a whole people. Far and wide throughout its sphere of influence the bell-swinging in the crowned tower had proclaimed the evangel which Carlyle says Napoleon's cannon thundered over Europe—"the careers open to the talents," "the tools to him who can use them." Not to deaf ears!

So Strathcona did well to honour the grey Mother on whose breast he himself had not lain. He had set out, an old man's lifetime ago, from Aberdeen, in hob-nailed shoes and hodden grey. He was now in Aberdeen again, in the house of his fathers. He had travelled in a far country and returned, not like the lean prodigal, though they had brought forth "the best robe" for him; still less like a freedman of Egypt loaded with his late master's spoils. Say rather like a wise white-bearded king, bearing gifts of gold and precious stones, aloes and myrrh and frankincense, to do homage at a great birthday piously commemorating the past and hopefully greeting the dawn of a future yet more radiant. He did well to do homage. And they did well to honour him. He was the achieved type of the wandering Scot which was peculiarly their own. There seemed to be a kind of pre-established harmony between the University itself and that noble figure at its head in the mild

## LORD STRATHCONA

glory of old age and slowly ripened majesty and power.

It is this man's life story that we are to tell, a story of more vital interest to the ordinary man than that of king or emperor. From the humble home by the Mosset he had gone forth, trusting to his own powers for success. He had achieved his ambitions beyond his most ardent dreams, and he had come home rejoicing, bringing his sheaves with him.

## CHAPTER II

### HOME AND PEOPLE

**D**ONALD ALEXANDER SMITH, named after his grandfather on his mother's side and his father, was born on the sixth of August, 1820, in Forres, a little town in the county of Elgin, one of the four shires—Aberdeen, Kincardine, and Banff being the others—which have always formed the inner ring of the satellites of Aberdeen city and university. "How far is't call'd to Forres?" asked Shakespeare's Banquo. A very long and steep way indeed from the humble house there on the Mosset burnside where Donald A. Smith first saw the light of day, to the House of Lords and the headship of the university between the Dee and the Don at the late harvest-home and climax of its glories in 1906!

The Smith family were very poor people, so poor that in England, or indeed even in almost any other part of Scotland than this, not one of its members could well have missed the doom of a hopeless obscurity. The father, Alexander Smith, a convivial Scot who had in him more of the spirit of Burns than of John Knox, was an unsuccessful tradesman in a very small way of business, whom even the Scots would scarcely have called a

## LORD STRATHCONA

“merchant,” and apparently not a person in any sense conspicuously superior to his station. The mother, whose maiden name was Barbara Stuart, a Grant by maternal descent, was manifestly of quite different stuff; a Spartan mother, too, as these Highland dames are apt to be, with much ambition for her sons and a withering contempt for any signs of softness in them. Ere ever they could fly it was her way to push at least the young cock-birds out of the too-narrow nest to catch their early worms for themselves. Two such precious ones there were among her brood, John Stuart, named after an adventurous fur-trading uncle, and Donald Alexander; there was a third boy, James McGregor, but he died in 1826 at the age of three. John as the elder had the pick in careers and was packed off (who knows by what painful efforts?) to the medical school in Aberdeen. No decent family in that country could hold up its head properly if it did not send at least one son to college to end, if it were morally possible for him, and the wickedly wise professor in arts did not deflect him, by “wagging his pow in a pulpit” and causing his mother’s cup of joy to run over. John did not strike the stars quite to that extent. But he became the next best thing—a good doctor. A very fine gentleman to boot! who did, in short, extremely well for himself all round and died at last in Edinburgh at an age almost as advanced as Donald was to reach, attained after drawing many

## A BONNY HIGHLAND LASS

yearly instalments of a handsome pension from the East India Company's medical service, of which he had been a very efficient and even distinguished member.

The daughters, of whom there were three, all died young. Margaret and Marianne were carried off during an epidemic of smallpox in 1841, but Jane lived on to comfort her mother in her declining years. Margaret, a bonny lass with lustrous yellow locks, was Donald's favourite in the family; quick of apprehension, eager to learn, and fond of books, her memory bore fruit in the gift of one million dollars which it cost her brother to erect and endow the Royal Victoria College in Montreal, for the women students of McGill University. Behind the somewhat mid-Victorian statute of Queen Victoria, executed by that artist princess, her daughter, the Duchess of Argyle, which stands in front of the massive pile, one sees the fair face of this sweet Highland maid, whose beauty melted away in her twenty-seventh year to rise again there in lasting stone.

John had squeezed out to the very last dregs the moderate wherewithal indispensable for a student even in Aberdeen. One may guess it was rather a sore point with the younger brother. He always fancied himself considerably in the medical profession, from which he was thus disinherited, and, as we shall see, did in spite of everything wrest from fate, on a fairly large scale, if on somewhat rough

## LORD STRATHCONA

lines, a licence to follow his natural bent in this direction. Undoubtedly a great doctor was lost in him. Yet the traces stand. Sister Margaret's monument, as was said, is Victoria College. From memories not all so sweet of John springs an even finer structure, to the writer's eye the best thing in architecture in Montreal. That is the perpendicular Gothic of the medical college standing on a noble site with the birches of Mount Royal for its background, at the top of the steep turfed slope of the campus and dominating the herd of meaner edifices which cluster on the low level at its feet. Just across the road from it is another expression of this aspect of Lord Strathcona and of his tenacious adhesiveness to the impressions stamped upon his youth, as well as of his cousin Lord Mount Stephen's warm and manly heart which provided the suggestion and half the funds—the Royal Victoria Hospital with its Scotch baronial towers. Everything Lord Strathcona did for Montreal in the way of money—he brought her Sir William Peterson, who was worth more than money to Canada and to the Empire—grew out of his life-long interest in medical science and goes back by an unbroken filament of life to those dim far-off days in Forres.

But to return to the bare and Mother Hubbard-like beginnings. Unpromising though they seemed, the “but and ben” upon the Mosset burn was a good start in life. It was really rich in the germs of

## PERSONAL DIGNITY

a mellow and opulent fruitage all the better in the long run for the delaying nip of the frost of "chill penury" which made it slow to ripen. This poverty-stricken home was a good place to be born in. For one thing it was Celtic, of the Scotch-Highland variety on both sides. Stuart and Grant speak for themselves. The name Smith was really Gow<sup>1</sup> which means the same but is, so to speak, quite another pair of boots.

People used to wonder where Donald A. picked up his manners. Up to an age when most human beings might under the circumstances have excusably been dead, he had lived at the back of beyond on the lee-side of the north wind among peatsmoke and blubber, in a remote Scotch village or among the most unwashed of savages, and yet nobody at all on this side of the water was his superior in personal dignity. It shone like a light in a rather dark place. How did he come by it? There was no mystery at all in the matter. He came quite honestly by it. It was part of his inheritance along with his oatmeal brose and milk on holidays in Forres. There were very poor gentlemen in the Highlands, but no one ever called them Tony Lumpkinses or doubted their powers to fight, to talk, to sing, to make love, to wear their rags with an air. A game-keeper or an old shepherd in that country has the grave courtesy of a Spanish hidalgo and the Biblical lore of an ancient Jewish rabbi.

<sup>1</sup> Gaelic "Gebha," "Gebhainn"—armourer, sword-smith, blacksmith.

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If, therefore, a man's forbears and begetters are not merely his parents but the inner texture and resulting traditions of his race, then in spite of his "scanty furniture of fortune" Donald A. Smith was well-born—scarcely less so than his predecessor in the chancellorship of the University of Aberdeen, whose bassinet had been carved with strawberry leaves and who had always had his castor-oil out of a gold spoon, with a miraculously upholstered piper, all ablaze on belt and plaid and dirk and skian-dhu with cairngorms, standing by to drown his ducal yells. The generous heritage of his people was passed on to this Highland lad in an unusually concentrated and accessible form through his own immediate family. He had the best of all inheritances, "the healthy mind in the healthy body." He started life with a frame of whip-cord and heart of oak; a massive and vigorous though far from subtle brain, slow-growing but sound and well-balanced, with an inner hearth of Celtic fire deep down in it—not very readily or variously impressible, but, like his native granite, indelibly retaining a print once cut there, and then above all, to spur and hearten to the uttermost all his powers, not only "needs must and the devil" driving, mighty advantage as that is, but also kindling and beckoning examples of fortune and even of fame, not hidden far away in dull books but all alive and glowing in his mother's eager talk around the peat-fire, and achieved by close

## YOUNG SMITH'S PATRIMONY

relatives on both sides of his seemingly cramped house.

The father even, unequally yoked together as he was, according to the strange law of matrimonial compensation, with his much better half, was a channel of good stuff of heredity slumbering in his own person, though seemingly in a state of suspended animation.

Young Smith's patrimony was not much in the way of coin, but there were indications that it was a good deal in the even better shape of capacity. Nor had foreshadowings of that been altogether wanting in the past. The well known Grants of Manchester, penniless immigrants from the Smith's home county, who had risen to a high place among the captains of industry, were the sons of his father's aunt. Now if these second cousins of Donald's were, as there is good evidence to believe, the originals of Charles Dickens' Cheeryble brothers, then he was not the first of his kindred to make money or to achieve immortality. For among all the delightful old fellows created by the sweet-natured English genius of our most popular novelist there are none more amiable than the quaint shadows of these two old Highland Scots. There was a Cheeryble side in "Uncle Donald" too, but his enemies knew that there was another side that showed the darker tinge of the Highland blood.

But even in the matter of antecedents as well as

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of present influence it was the distaff mainly which shaped this young life. Several of the mother's kindred had gone across the sea and done well. Donald was at one time on the point of accepting a desk in the office of his Manchester connections, but he ended by following the star that called him westward. Certain Grants on the mother's side, especially one Cuthbert Grant, had become better known on the Saskatchewan than ever they had been on Speyside. But above all two of her brothers, Robert and John Stuart, had found their way to the wild Canadian west, wild indeed in those days when it was still Rupert's Land. Like so many other Highlanders, they had joined that band of supermen, the North West Company of Montreal, who were then in the thick of a fierce struggle with the English Hudson's Bay Company of London for the priceless furs of that immense wilderness—to the imminent extinction of the latter. Even among these mighty men of valour the two brothers of Mrs. Smith had signally upheld the reputation of their clan. Robert for a time deserted the North West Company and joined the forces of John Jacob Astor, the greatest of United States fur-traders. With his uncle, David Stuart, Alexander McKay, and Duncan McDougal he sailed, in 1811, from New York on the *Tonquin* of tragic memory to assist in establishing Astoria at the mouth of the Columbia River. He was little more than a boy then, but in

## ROBERT AND JOHN STUART

1812 he was chosen for the hazardous task of carrying despatches overland to his employer. His adventures in the difficult mountain passes and his perils among Crow and Snake Indians have been thrillingly told by Washington Irving in his *Astoria*, and had no doubt been communicated to his sister and related by her to her children by the ingle side. He was to return to the North West Company and to lose his life in its service. He and three companions were sweeping down the upper waters of the Columbia in a light canoe, fearlessly risking the fierce rapids and whirlpools. The canoe was overturned and its occupants thrown into the water. Robert cried to his comrades to be of good cheer; if God willed he would save them. Twice he took a man on his back and carried him to safety; the third time his strength gave out and both went down. A character worthy of imitation! No doubt the nephew yearned for an opportunity to emulate the heroic conduct of the uncle. But the decisive impulse causing young Smith to turn his face westward came from this hero's brother John, whose name stands among the foremost in the list of Montreal North-West explorers and resounds forever in the waves of the waters that keep it, Lake Stuart and Stuart River in British Columbia. He was the companion and bosom friend of the celebrated Simon Fraser, next to that fur-trading Columbus, Sir Alexander Mackenzie, the most daring of all that heroic

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band of Highland pathfinders, the first to thread the fierce waters of the mighty river which perpetuates the memory of his dauntless spirit. By those who knew both well, John Stuart, who was with Fraser on his perilous journey, was generally believed to be the better man of the two. He certainly could drive a harder bargain for his employers. He was present when Astoria was treacherously sold to the North West Company in 1812 and it was he who fixed the standard for its purchase. His nephew Donald inherited not a little of the bargaining spirit of this canny, hard-gripping Scot. John Stuart rose to a high position in the service of his company. When their rivals of the Hudson's Bay, whom honest John could never bring himself to trust or like, finally absorbed or were absorbed by the bold Nor'-Westers, he joined the combination, retaining all his dignities. He had never forgotten Forres or dropped the regular exchange of letters with his like-minded sister Barbara, whose boys, we may be sure, were never allowed to forget their uncle.

Donald Alexander Smith was, thus, far from being a "kinless loon." Disraeli was fond of saying that "everything is race." It is not everything, but it is doubtless a great deal. This youth had all the advantages of it in the purest and most effectual form. He could not afford to shine by the light of ancestors whose efforts he did not imitate. Bitter need goaded him on to reach up to and

## A FAMILY OF CONQUERORS

transcend his antecedents. He and his cousin George Stephen, as we shall see, did so. To Lake Stuart and Stuart River they added new monuments of their stock's quality—Mount Sir Donald, the highest peak of the Selkirks, and Mount Stephen of the Rockies. Mountains this time, observe—not lakes or rivers. It was right in their case to make that choice. Their faith had well nigh literally moved mountains, the last obstructions, by most men held to be insuperable, in the titanic work which the valour of their kindred had passed through raging floods to begin. That work was all of a piece, to make Canada and build the keystone of the British Empire. It was from first to last a struggle against the most terrific powers and impregnable barriers of nature, as well as against the still more heart-breaking cowardice and malice of man. The birch-bark canoe of those Highland paladins, John Stuart and his peers, had conquered in the first battle. Robert Stuart had found a hero's death in it. When the pair of cousins, their kinsmen Donald Smith and George Stephen, had subdued the Selkirks and the Rockies by playing the leading part in imposing upon the necks of those giants the steel lines of the Canadian Pacific Railway and had won their topmost crowns of everlasting snow for monuments, the long campaign had ended in decisive victory. A family with such a churchyard lot, one that has engraved its names upon the grandest features of a great

## LORD STRATHCONA

country's landscape, which are also the milestones on the road towards the consummation of an Empire, has some right to be called noble.

Young Donald learned his three R's, some elementary Latin, and mathematics at the Anderson Institution, an unpretentious school founded in 1824 by pious old Jonathan Anderson, who bequeathed valuable lands he had acquired in Cowlair's, then a suburb of Glasgow but now a part of the city, to feed with what is more than bread the needy lambs of his own scant early pastures in Forres and the neighbouring parishes of Rafford and Kinloss. Donald Alexander Smith was to pay his dues of nurture to good Jonathan Anderson a hundredfold and in the right way—by carrying on old Jonathan's work to some purpose. In Montreal and elsewhere the muses have some handsome temples, weaving factories where the making of Canada goes on daily, whose foundations and corner stones lie far away over the sea in that poor little free school by the Findhorn where this boy learnt his halfpenny Shorter Catechism with the multiplication table on the back of its paper cover.

But the family purse was running low, and at sixteen Donald had to leave school. College was out of the question; John's education was fully taxing their meagre income. But the mother, eager that her youngest son, too, should enter one of the learned professions, secured him a position

## A STUDENT OF LAW

in the office of Mr. Robert Watson, the town clerk of Forres. The dry-as-dust pages of Blackstone and Erskine had little attractions for this Highland lad. His mind was elsewhere. The Grants had ventured into the world of large opportunities; his uncles Robert and John and other relatives had achieved a measure of distinction in America; and on all sides of him were families whose sons had risen to high places in India and America. While he pored over the pages of the legal volumes, conscientiously doing the tasks set him, his young mind was taking eagle flights far from the parent nest. About this time his uncle John Stuart came to Europe on a four years' furlough. His visit to Scotland in the autumn of 1835 made a lasting impression on his nephew. Stuart was somewhat weary of wilderness life and was loath to advise Donald to venture in his steps. He thought, too, that his nephew "had the makings of a lawyer in him." Donald thought otherwise; a dingy office with its worm-eaten tomes had no attraction for a Smith with the blood of the Stuarts and the Grants in his veins. So determined was he on a business career that his friends set to work to find him the employment for which he yearned. He was offered a writership in the East India Company, and Uncle John, who was making a grand tour of Europe, wrote offering him a junior clerkship in the services of the Hudson's Bay Company, or, if this were not to his liking, to procure him other employment in

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Canada, where many of his Scottish friends had prospered, and opportunities for fame and fortune abounded. But the mother, no doubt loath to have her boy leave her for the wilderness dangers of Canada or the fever haunted plains of India, had her husband write to his kinsmen, the Grants of Manchester, to see if there was not an opening for her son in one of their establishments. These kindly merchants, whose hearts were still in the home country, promptly sent a favourable answer. There was such an opening; it was a minor position, but the son of Alexander Smith and Barbara Stuart was welcome to it. But the glamour of the Canadian wilderness possessed Donald's mind. He had resolved on following in the steps of the uncles whose adventures had been to him what the stories of heroes of old were to other boys. And so he decided to take his chance with the Hudson's Bay Company, despite his uncle's warning that it meant a rough life, with miserably slow promotion and uncertain of proper reward.

His box was packed by loving hands and sent ahead of him by carrier to Aberdeen, and on April 14th, 1838, this sturdy young Scot, typical of the lads of his country, set out from the paternal home bent on carving out a career in Canada. It is easy to imagine the mother, at this crisis in their lives, with tear-stained eyes bidding her fine upstanding blue-eyed, fairhaired "halfin" God speed, and between her tears murmuring words she

## DEPARTURE FROM SCOTLAND

often used later in life: "They'll all be proud of my Donald yet." When Donald reached Aberdeen he took passage on a coasting schooner for London, where he was to meet his uncle and make final arrangements for his journey to Canada.



## CHAPTER III

### THE YOUNG EMIGRANT

WHEN Donald Smith reached London on April 29th he at once called on his uncle, who was in lodgings in the part of the city known as Clerkenwell. He met with a most friendly reception, and spent several interesting weeks seeing the sights in the busy heart of the British Empire. He saw fashionable London in Hyde Park and Rotten Row, political Great Britain in the House of Commons, and no doubt artistic England in the great galleries, but of this he leaves us no record. His uncle took him to the House of Lords, but they failed to gain entrance. He little dreamed then that sixty years later the doors of this great legislative body would be wide open to him and that he would have an honoured place among the peers of the realm.

It was pleasant doing London with his uncle, who had always been his hero and who, he found, was something of a distinguished character in England. Washington Irving's *Astoria* had, as we have seen, just been published. That epic of the wilderness was being widely read and to many in the city John Stuart was recognised as one of the leading actors in the events narrated in its pages.

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Moreover, among all the gentlemen he met, none carried himself with more dignity. Stuart had been called the "Chesterfield of the Wilderness," and his recent sojourn in the fashionable centres of Europe had given him a polish and refinement hardly to be expected in a man who had spent some thirty years of his life in the most remote corners of North America, his only companions rough traders, trappers, and savages. Donald himself was a lad of more than ordinary refinement of manner. Courtesy was his partly by heredity, but more in consequence of his home training. We speak of mother tongue, but there are mother manners too. Barbara Smith, as her illustrious son said at the time of her death, "set great store by courtesy and good manners" and her boys "bonnets were always off in her presence." His comradeship with his fastidious uncle John must, however, have had its effect, and to it was no doubt due something of that courtly dignity, that kindly manner that was his throughout his entire life, in the bleak wilderness of Labrador and in the palaces of the great.

Donald had come to London intent upon entering the service of the Hudson's Bay Company, but now that he was in the city his mind was in a state of chaos regarding his future. On one thing he had determined—to Canada he would go. At this time the Canada Company was holding out special inducements to settlers on their extensive

## CANADA IN 1838

holdings in Upper Canada. Friends of John Stuart had succeeded in both Upper and Lower Canada as landholders and merchants. Might not he do the same? Besides, his uncle, who had sent in his resignation to the Hudson's Bay Company, assured him that: "If he had to begin his career afresh he would have nothing to do with the honourable company or with the Indian country, but would settle in Upper Canada, where land is cheap and quite large towns are springing up in all parts." So much was Donald impressed by his uncle's suggestion that on the ninth of May in a letter to his mother he said: "It is doubtful whether I shall enter the service of the Hudson's Bay Company in any capacity." At the same time he was doubtful about the wisdom of settling in either of the Canadas. "Canada," he said in this same letter, "is at present in a most troubled state, and trade is in consequence suffering. Lord Durham sailed for Quebec in the *Hastings* a fortnight ago with royal powers to effect a settlement of the troubles and administer punishment to the rebels." In the morning he was convinced that his wisest course would be to enter the service of the Company, by evening he was as certain that he could best attain his ambitions in Upper Canada. He was ultimately to choose the Company, and through it was to become one of the foremost men in Canada and the Empire. His uncle helped him out of his quandary. Let the choice of a career stand until he arrived in

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Canada! He could get him a clerkship in London, but in that case he would be packed off to Hudson Bay to become an unnoticed atom in the great trade organization. If he should decide to join the Company it would be best to get his clerkship direct from Governor Simpson, "who would effect more favourable arrangements, if he were disposed to do so." He would arm him with letters to Simpson and to his old Montreal friends, Alexander Stewart and Edward Ellice, men who had achieved success in trade and land.

On the sixteenth of May the young emigrant left London for Canada, going *a la venture*, as his uncle put it in his letter to Stewart. He sailed on the *Royal William*, a ship of about 800 tons, a timber ship making the voyage to Quebec in ballast.

His choice of ship was fortunate. In those days the average vessel sailing from England to Canada was little better than a pest house. Its holds, and in fine weather its decks, were crowded with emigrants; deaths were common, and ship fever was epidemic. But the *Royal William* on this voyage had only two passengers; one of them at least, a Mr. Ross, a genial and helpful associate. Donald Smith, like the canny Scot he was, while holding in abeyance the course he would pursue in Canada carefully studied the situation. The Hudson's Bay Company, its organization and the opportunities it presented for a career he knew, but Canada was something of a *terra incognita*.

## A LAND OF OPPORTUNITY

He had armed himself with a prospectus of the Canada Company and two emigrant guides—possibly Galt's *The Canadas* and Evans' *Guide to Canada*, both of recent date. These he studied diligently. In them he learned of colonists who had risen from poverty to comparative affluence. "Industry, sobriety, and perseverance" were all that were necessary for ultimate success. He found advice on the clearing of land, the fencing of fields, sowing and planting, and the making of maple sugar. Any settler could, even in his first year in the bush, look forward to a prosperous future and "while indulging in such pleasing visions, the wooden pillow of a new and industrious settler becomes softer than bolsters of down, and his solitary blanket more comfortable than sheets of Holland." He was warned, however, against making "wild, visionary, or romantic ideas or situations . . . the objects of pursuit." Canada according to the guides was a country in which "the emigrants could not expect to eat the bread of idleness, but where they may expect what is more worthy to be denominated happiness—the comfortable fruits of industry." But to begin life in the bush some capital was necessary, and Donald Smith's purse was not a long one. He learned that there was abundant labour for "working artizans, particularly blacksmiths, carpenters, bricklayers, plasterers, masons, coopers, millwrights, and wheelwrights." But this eighteen

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year old lad's only experience of labour had been in a lawyer's office. He had, too, not even an amateur's experience of farming, and "the partially cleared lots and wooded lands" offered did not appeal to him; so as he voyaged westward over the Atlantic his mind see-sawed between Upper Canada and the Hudson's Bay Company. He learned from his fellow-traveller Ross, a Canadian of experience, much that was not set down in the guides. There had been excessive emigration from Great Britain and Ireland to Canada and there was much unemployment and poverty in the land. Many of the inexperienced settlers who had taken up bush land had been ruined and now filled the towns and villages living as best they could. Success could be achieved, but for the average settler living remote from society in a wretched log-house life was almost unbearable. So, as Donald studied his prospectus and guides his mind reverted to the Great Company with its adventures and the ultimate prospect of a chief factorship.

On the thirtieth of June the voyage came to an end and the lad from Forres gazed with enthusiasm at the spot of earth made sacred from memories of Jacques Cartier and Champlain, Frontenac and Laval, Wolfe and Montcalm—Quebec, the ancient capital of Canada and for all time the historical capital. On the next day he hurried on by steamer to Montreal. As he journeyed past the long line of white-washed farmhouses of

## ARRIVAL IN MONTREAL

the *habitants* with every here and there the tall tin-covered spire of a chapel flashing in the sunlight, he was reminded of the Canadian rebellion about which he had heard so much in London. The storm of 1837 had been stilled but the sea was still heaving. Lord Durham on his arrival had gone energetically to work and to guard against future trouble had administered swift punishment to some of the rebel leaders. He had humanely decided to exile them instead of sentencing them to death. A steamer, the *Canada*, bearing these prisoners, under a guard from the 71st Regiment, to Quebec *en route* for Bermuda, passed the vessel carrying Donald Smith to Montreal.

On the second of July, after a pleasant journey of about twenty-four hours, Montreal was reached. This city, rapidly passing Quebec as the commercial metropolis of British North America, did not at first sight give a favourable impression. Its "high buildings, confusedly massed," and dirty wharfs—there were as yet no proper quays—gave it the appearance of a city in a primitive stage of development; and yet Montreal had a history of almost two hundred years back of it. It was a city in the making. The streets that the young emigrant saw on landing were unpaved; there were no watering carts such as he had seen in London, and on dry days blinding limestone dust made out-of-door existence unbearable, while in wet weather the city was a sea of mud. In some places

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there were no sidewalks, in others crude wooden walks had been laid down, but for the most part the walks were of rudely laid "stones of all sizes, shapes, and positions." In only two places were there really good stone pavements—in front of the Cathedral of Notre Dame and along the north side of Place d'Armes. There was no proper drainage system, and occasional stagnant pools could be seen even on the principal streets. St. Paul's was then the principal business street; Craig Street was a residential thoroughfare; and Notre Dame, although rapidly becoming a business street, was lined for the most part with the residences of merchants. Farms and orchards with an occasional handsome country residence occupied the space stretching back from St. Catherine Street to the mountain. McGill College, the chief glory of modern Montreal, had been founded, but as yet it had only a medical faculty with two professors.

At night Montreal was far from being a comfortable city to live in, and if Donald Smith ventured forth he was in danger of tripping over the uneven pavements or stumbling into an open ditch. The streets were unlighted. Some of the more imposing shops were illuminated with gas and the lights from their windows helped to guide the pedestrian through the uneven streets; but after business hours, when the heavy iron or wooden shutters were closed, the city was in stygian darkness.

## FIRST DAYS IN CANADA

In the daytime the streets were crowded with foot-passengers: *habitants* in gay surtouts and *bonnet rouge*, Highlanders in plaids, Indians in blankets, and a great concourse of ragged, unkempt, poverty-stricken Irish immigrants, the majority of whom had left their "native land in expectation of *shovelling up the dollars out of the street*" but "had not as yet fingered *the ghost of one*." Through this crowd passed priests and nuns clad in the distinctive garb of their various orders.

Such was the Montreal that Donald Smith saw in 1838. It had little attraction for him and he wasted no time in sight-seeing. On the very night of his arrival he called at the house of Edward Ellice, with his letter of introduction. Not finding Ellice at home he walked out to Lachine to interview Lewis Grant, a relative of his mother's. He then returned to Montreal and went to Boucherville, a suburb of the city, to present his uncle's letter to Alexander Stewart. But apparently neither Ellice nor Grant nor Stewart could help him to work in Upper Canada. This raw boy would have a rough road before him if he began life as a settler. Stewart seems to have given him a cordial welcome and had him stay with him for two weeks at Boucherville. These two weeks decided his fate. The political unrest in Upper Canada, the hard life, the story of innumerable failures of men who with high hopes had gone into the bush, convinced him that it would be unwise

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to settle in such a province. He would do as his uncles before him had done—throw in his lot with the “Company of Adventurers of England trading into Hudson’s Bay.” And so, about the middle of July, he once more tramped out to Lachine, this time his destination being the dépôt of the Hudson’s Bay Company. When he was ushered into the presence of Governor Simpson he handed this “king of the fur trade” his uncle’s letter. Simpson took the letter, gave a hasty glance at the raw Scotch lad, a lad similar to hundreds of others who had stood before him seeking admission to the service of the Great Company, then somewhat impatiently read the letter, which was as follows:

“My dear Sir:—The bearer of this, my nephew, Mr. D. A. Smith, entertains at present thoughts of following in the footsteps of his uncle and many of our old friends in the fur trade, and for this reason desires the honour of an interview with you, which perhaps for my sake you will grant. He is of good character, studious, painstaking, and enterprising. He has recently been devoting his attention to the law, but has decided to leave this for a more active life. If you know of any way in which he may be of service to the Hudson’s Bay Company, the exercise of your interest will only add one more obligation to the debt at present borne by, my dear sir, yours ever most sincerely and respectfully,

John Stuart.”

## WITH THE GREAT COMPANY

Simpson read the letter and once more glanced with piercing eyes at the lad whose future rested in his hands. For a brief moment he hesitated; he had a grudge against John Stuart who had deserted the Company to become a Highland laird. But this young Scot had likewise an introduction from Edward Ellice, a man of high authority in the Company, and could not be ignored. The fate of Donald Alexander Smith was settled for all time. He was to begin work at once; begin it at a salary of twenty pounds a year. A clerk was called in and ordered "to take Mr. Donald Smith to the fur room and instruct him in the art of counting rat skins."

And so Donald Alexander Smith entered the service of the Great Company as an apprentice clerk. He had chosen his own career. Of his own volition he had put his hand to a rough plough and there was to be no looking back. Long years of hardships and disappointments were to be endured by him; but through it all he kept his sunrise aim, ever having his eyes fixed on the mountain peaks to which after infinite toil and unwavering steadfastness he was to win his way.



## CHAPTER IV

### THE GREAT COMPANY

**T**HE Hudson's Bay Company was in some respects the most imposing association of traders ever produced even by Great Britain. No merchant princes of Phœnicia or Venice, or even the East India Company, the other great birth of this kind in the nation of shop-keepers, had ever entered into a sphere of control so spacious, or one more pregnant with imperial destinies.

The charter granted on the second of May, 1670, by King Charles II, that merriest of monarchs, in his most genially irresponsible mood, to "the Governor and Company of Adventurers of England, trading into Hudson's Bay," conferred upon these honourable gentlemen not only an exclusive monopoly of the trading privileges in all the country drained by the rivers and streams flowing into Hudson Bay, with the fullest power to vindicate it by force of law against all unlicensed interlopers, but also possession "in free and common soccage." That is to say, they had absolute proprietorship, such as a man has over his own back garden, over a territory, as they interpreted their charter, comprising at least one quarter of the whole North American continent. The one

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duty to civilisation in general imposed upon them was that they should be active in furthering the search for the north-west passage. This part of their task, however, was never taken seriously by the Company. Its real and all but exclusive concern was the Indian trade. Except for one brief interval when an outsider, Lord Selkirk, whose aims and motives were on an altogether different plane from the Company's, introduced a larger spirit into its counsels, its policy confined it strictly within the range of its famous motto, *pro pelle cutem*, of which, according to malicious interpreters, the English of its practice was: "We skin the Indians for peltry."<sup>1</sup>

For the first half century and more after gaining their charter the gentlemen adventurers hugged the Bay and let the Indians come to them, sometimes over stretches of a thousand miles. They were "complete tradesmen," to use the pregnant phrase of Defoe, whose forts were little more than palisaded outposts of Cheapside. They knew nothing of the territory assigned them by their charter, which could not become their own until they had made it so by exploration and occupation, and might readily in the meantime with all its wealth pass by default into the hands of others who did so without asking for any goose-quill permits. But

<sup>1</sup> What the Company meant was not "skin for skin" as the general ignorance of the Latin language renders it: "We risk our skins for a beast's hide"; like the Scottish fishwives: "Lives of men for herring."

## THE NORTH-WESTERS

circumstances altered their methods. French traders from New France invaded what the Company considered its preserves, establishing posts on some of the streams whose waters emptied into Hudson Bay. These traders, for the most part French *coureurs de bois* and half-breeds, had much in common with the Indians, and were, besides, more liberal in trade than the officials of the Great Company; as a result the Indians ceased to visit the Hudson Bay posts and for self-preservation the Company sent its traders inland to the regions traversed by the Red River and the Saskatchewan.

With the conquest of New France by Wolfe and Amherst the officials of the Company breathed a sigh of relief. But keen traders, American and Scots, heard of the wealth of furs to be gathered in the regions west and north of the Great Lakes, and even before Canada was formally ceded to Great Britain in 1763 these men followed in the footsteps of the French traders. It was these north-westerners, Canadians by birth or adoption and largely Montrealers, who first thoroughly organized the fur-trading regions, and taught the gentlemen adventurers their trade. When the Hudson's Bay Company began to give trouble by the flattery of competitive imitation, the north-westerners pushed on to ground that was all their own, amid incredible difficulties and dangers, over giant mountains and down turbulent rivers, with no larder but the wilderness and no caterer but their

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flintlocks, into the vast untrodden regions of the Arctic and the Pacific where the Hudson's Bay Company's traders did not dare even to follow.

As a rule it takes rude manhood to do the indispensable rude work involved in all beginnings, and many advances invaluable in the end to civilization have been made by persons who were conspicuously lacking in the civilized virtues. California was opened up to settlement by the gold miners of 1849. The rough buccaneers of Elizabeth won the freedom of the seas. Quite in their class are these pioneer north-westerners who laid our foundations by conquering the secrets of an unknown land, but did it with a violence and insolence and an elemental hunger for gain which were not lovely. The Hudson's Bay Company has a better record on this side. They did not willingly debauch the Indians. Doubtless there is truth in the taunt that "they never lost a beaver-skin by refusing a pint of rum," but on the whole their tendency was to resort to such methods only under extreme pressure. Left to themselves, they maintained a benevolent attitude towards the Indians who shewed their appreciation of it by a consistent friendship. Nor is the Hudson's Bay Company's record disgraced by stains of violence and blood. In the negative excellencies they had the best of it, but the real work was done by the wild north-westerners.

Such a condition of things produced an atmos-

## RIVALS IN THE FUR TRADE

phere which, to say the least, was not elevating. Read the following, written by a North West trader from Pembina: "Indians coming daily in small parties; nearly a hundred men here. I gave them fifteen kegs of mixed liquor, and the X. Y. (the rival company), gave in proportion; all drinking. I quarrelled with Little Shell and dragged him out of the fort by the hair; Indians very troublesome; threatening to level my fort with the ground and their chief making mischief. I had two narrow escapes of being stabbed by him." Or this: "On New Year's Day during the customary firing of musketry one of our opponent's bullies purposely fired his powder through my windows. I of course got enraged and challenged him to single combat with our guns. This put a check on him ever after." These were the days of the great Simon MacTavish, the head of the North West Company, a man bold and magnificent even to insolence. The weapons of attack were never allowed to cool in his hands.

It was in the first decade of the nineteenth century that the great Company awoke from its lethargy to view with alarm the inroads which were being made upon its preserves, and, with tardy activity, began to imitate the policy of its rivals. As soon as it realized that the Bay could be used not as a terminus but as a base and centre of distribution corresponding to the Montrealer's dépôt at Fort William at the north-western end of

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Lake Superior, its superiority for such a purpose at once became evident. The Bay was much nearer the hunting grounds than Montreal, and its traders could be on the ground a month earlier in the spring than the North West men. This gave it an immense advantage in securing furs. Never was there a case where the physical advantages were more entirely on one side; but the Montrealers undauntedly set their determination and intelligence in the balance against their rival's geographical position. Their great hope of success lay in the quality of their men, from the capitalists in Montreal down to the *voyageur* on the most remote western lake.

Under the pressure of the situation the North West Company worked out a very noteworthy constitution, singularly adapted to stimulate the physical and mental energy of their men to intense activity. It was a profit-sharing arrangement by which the men who did the work became direct gainers by their boldness and resourcefulness. The stock of the company was divided into a hundred shares, each share carrying with it a vote in the management of the business. These shares were held by two distinct classes of men, the "agents" and the "wintering partners." The agents were Montreal merchants who financed the undertaking, imported the necessary merchandise from England, made it up into packages for convenient transport, and stored and shipped the

## THE WINTERING PARTNERS

furs. They earned their share, for the slow travel of the day made a long time between sowing and reaping, and capital was an absolute necessity. The wintering partners were the men who actually lived in the Indian country, supervising forts and having command of the brigades of boats. Each of these partners held a share and might come to possess two; if he did he was permitted, when he retired from active field service, to keep one share as a sleeping-partner and to nominate to the other a junior, who must have served an apprenticeship of seven years. Every clerk earning one hundred pounds a year was thus provided with the sharpest spur to his zeal, while the company was doubly secure against the evils of absentee control, which afflicted its rival, by the number of votes possessed by the wintering partners and by the fact that most of the agents were themselves retired traders. An "annual settlement" at Fort William, where the two classes of shareholders met and discussed the affairs of the company, preserved a state of harmony between the home and field forces. The whole organization thrilled with life, and its annual export of furs seems to have been something like four times as great as that of the Hudson's Bay Company.

This rivalry between the two trading companies could not continue; clashes were of frequent occurrence between the employees, and on the distant plains more than once there were deeds of

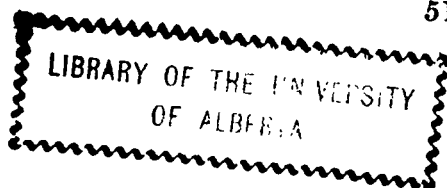
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violence and bloodshed. The establishment of the Red River settlement by Lord Selkirk, who had purchased sufficient stock in the Hudson's Bay Company to give him control of it, brought the quarrel to a climax. Petty strife became open war; armed forces stood aligned against each other. The strife culminated in the tragedy of Seven Oaks. The struggle was telling on both companies and dividends were falling; indeed, in the case of the Hudson's Bay Company, they had fallen to the vanishing point. This suicidal competition had to end, and in 1821 the rivals united under the name of the Hudson's Bay Company; but in spite of the name and the flag bearing the letters H. B. C., and of the ancient motto *pro pelle cutem*, the old North West element counted for a good deal more in the combination than the Hudson's Bay strain. Nearly all the best parts of the country over which operations extended had been explored, mapped out, and occupied by North-Westerners. The French Canadian and half-breed labourers employed in the subordinate branches of the services had been proved and utilized by them from the very first. The internal organization of the new company might be said to have been taken over bodily from the defunct North West Company. All the main factors of such efficiency and equity as it retained were their invention, especially the profit-sharing system which spurred the officers in the field to the utmost exertions. For the meetings

## A ROYAL KINGDOM

between wintering partners at Fort William the new company substituted a governor of Rupert's Land, who served as a medium of intercommunication between the officers in the field with their knowledge of the actual ever-changing conditions of the fur trade and the capitalists at headquarters in London. The London council, with its governor and deputy governor, representing the capitalists who held sixty per cent. of the total shares, was the one survival of the old Hudson's Bay Company in the constitution of the new company. There was nothing essentially new in this body; to the North-Westerners it simply took the place and the same proportion of the shares which had been held by their agents, as they called them, in Montreal.

It was a royal kingdom that the newly organized Hudson's Bay Company entered into in 1821. All that is now known as Canada east of the Rocky Mountains was under its sway except the little colonies of Nova Scotia and New Brunswick along the Atlantic seaboard and a small part of what is now Quebec and Ontario. All of what is now called "New Ontario" and the whole of the north shore of the Gulf of St. Lawrence as far west as Tadousac fell within its domains. Beyond the Rockies the Company reigned without a rival from Alaska to California. For convenience in administration this vast territory was divided into four departments, called respectively by the names



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Montreal, Southern, Northern, and Western or Columbia.

The Montreal department reached up the Ottawa and Mattawan to their sources on the one hand; on the other along the north shore of the St. Lawrence by Tadousac, Isle Jèrémie, Seven Islands, Mingan, and so along the coast of Labrador to Rigolet and North-West River. Lachine, a short distance above Montreal at the head of the rapids on the St. Lawrence, was its dépôt and headquarters. In the days of the French traders and of the North West Company Lachine had been a place of primary importance, but after the amalgamation, except for an occasional light canoe bearing officers of the Company, the route up the Ottawa to the great plains was deserted. Hudson Bay and Straits were now the main avenue of communication with England for furs and merchandise. The country included in the Montreal department, though extensive, was as a whole no longer very rich in furs, and this department had ceased to be of first rate importance except as the official headquarters of the governor of Rupert's Land and the centre of book-keeping.

The Southern department included the posts on James Bay at the south-eastern end of Hudson Bay. This was the original trading ground of the Company, and stretched south to take in the posts along the north shore of Lake Superior. Moose Factory was its dépôt.

## THE WESTERN DEPARTMENT

It was the Northern and Western departments, so closely connected with each other and so separated from the rest as to form almost a distinct system of their own, that produced by far the largest quantity and the best quality of furs. It was there, too, that the destinies of Canada were slowly taking shape. There, under the scanty wings of this fur-trading corporation, rather an ostrich-like mother, the eggs of empire were hatching. Of the two departments, the Northern was by far the more important, and more will be said of it later. There remains only the Western department, or Columbia, which stretched southward west of the Rockies from New Caledonia to the borders of the Mexican republic (for it was not until 1846 that the forty-ninth parallel came to form the boundary), and included within its territory the site where now stands San Francisco. So far afield were the Company's activities that under this department there was an agency in the Sandwich Islands. The Western department was rich in other things than furs. But the advance of civilization forced the Hudson's Bay Company out of the territory it occupied in what is now the western United States. Its headquarters were transferred from Fort Vancouver on the Columbia to Fort Camosun (Victoria) on Vancouver Island. Secluded behind its mountain barrier it tended more and more to grow self-contained and independent, and the inrush of settlers and gold-seekers

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resulted in the establishment of an organized British province, and the Company reluctantly surrendered its authority west of the Rockies—an authority it was in no way entitled to under the terms of its charter.

Over the vast region in which the Hudson's Bay Company operated there were in 1838 some one hundred and twenty posts in all. But the number varied from time to time, increasing and decreasing with the harvest of furs to be gathered. These posts were called forts, but only two were worthy of the name—Fort Garry and the Stone Fort in the Red River settlement. The majority of the posts were protected only by wooden pickets, defences that could easily have been rushed or set on fire by any hostile band of Indians. Some of the posts were without the slightest pretense at defence. At the larger trading centres there were stationed permanently from thirty to forty men; at the others, smaller numbers, in some instances only two in addition to the trader in charge. These defenceless posts with their handful of traders speak well for the rule of the Great Company. For nearly two hundred years it had been operating in the Indian country, but so upright had it been in its dealings with the aborigines who visited its posts or who were visited by its traders that, through the wide stretch of its territory, there was no need of an armed force to guard its interests. Its brigades went hither and thither



INTERIOR OF FORT GARRY, 1845

*From an original drawing in the Public Archives of Canada*



## THE COMPANY'S ORGANIZATION

between the Rockies and Fort Nelson, between the Mackenzie River and Montreal without fear of attack from ambushed savages; its employees at their isolated posts went about their duties never dreading the terrifying war-whoop and the murderous tomahawk.

The service was thoroughly organized and the governor of Rupert's Land from his headquarters at Lachine was as much in touch with every detail of the Company's business as is a commander-in-chief with his army. There is indeed a striking similarity between the organization of an army and that of the Hudson's Bay Company. Rank and file, lieutenants, captains, majors, colonels, and brigadier-generals might all be said to have their equivalents in the different grades in the service of the Company. The organization is admirably given by R. M. Ballantyne, who was a junior clerk almost contemporaneously with Donald A. Smith.

"There are," he writes, "seven different grades in the service. First, the labourer, who is ready to turn his hand to anything; to become a trapper, fisherman, or rough carpenter at the shortest notice. He is generally employed in cutting firewood for the consumption of the establishment at which he is stationed, shovelling snow from before the doors; mending all sorts of damages to all sorts of things, and, during the summer months, in transporting furs and goods between his post and the nearest dépôt. Next in rank is the interpreter.

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He is for the most part an intelligent labourer, of a pretty long standing in the service, who, having picked up a smattering of Indian, is consequently very useful in trading with the natives. After the interpreter comes the postmaster; usually a promoted labourer, who, for good behaviour or valuable services, has been put upon a footing with the gentlemen of the service, in the same manner that a private soldier in the army is sometimes raised to the rank of a commissioned officer. At whatever station a postmaster may happen to be placed, he is generally the most active and useful man there. He is often placed in charge of one of the many small stations, or outposts, throughout the country. Next are the apprentice clerks—raw lads, who come out fresh from school, with their mouths agape at the wonders they behold in Hudson Bay. They generally, for the purpose of appearing manly, acquire all the bad habits of the country as quickly as possible, and are stuffed full of what they call fun, with a strong spice of mischief. They become more sensible and sedate before they get through the first five years of their apprenticeship, after which they attain to the rank of clerks. The clerk, after a number of years' service (averaging from thirteen to twenty), becomes a chief trader (or half-shareholder), and in a few years more he attains the highest rank to which anyone can rise in the service, that of chief factor (or share-holder)."

## A WILDERNESS LIFE

Such was the army in which Donald Alexander Smith enlisted. He began at the lowest round of the ladder among the gentlemen of the Company. He signed articles with a thorough knowledge of the conditions. The life before him was one of hardship. It was a wilderness life with little prospect of a return to civilization until, like his uncle, he had long passed middle age. Whither he would be sent he knew not, but he did know that his comrades would be rough traders and savages. Throughout the immense stretch of country occupied by the posts of the Company there were not at this time "more ladies than would suffice to form half-a-dozen quadrilles." And what was to be his reward? He no doubt thought that in time, if he persevered—and "perseverance," the motto of his later years, was ever his guiding star—he might become as great as John Stuart and be able in his old age to return to Forres an honoured chief factor. He was to go much higher than that; to reach the topmost rung of the ladder and achieve a distinction that no other trader of the Company ever achieved, the governorship; a right to sit in the seat formerly occupied by men like Prince Rupert, the Duke of York (James II), and the Duke of Marlborough.

He was to achieve this distinction by his innate ability. It is true he came to George Simpson with introductions, but all he owed to them was a position in the service. Simpson gave him no

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helping hand. This vain, crotchety little martinet who ruled in all the wide territory from Hudson Bay to Fort Vancouver was to throw him into the ocean of trade and to leave him to swim for himself. In fact, as we shall see, he gave him the hardest tasks in his gift, sending him to posts where advancement seemed impossible. But young Smith was of the right stuff. He was one of those rare mortals who can be content with their lot wherever they are placed, but never satisfied. What he found at hand to do, he did thoroughly; no mere routine official, but a man with initiative and foresight.

## CHAPTER V .

### THE YOUNG FUR TRADER

**I**T was towards the end of July, 1838, that Donald Alexander Smith—to be known henceforth among his fellow clerks as Donald A—began work in the stuffy, ill-smelling storehouse of the Hudson's Bay Company's dépôt at Lachine. His first days were miserable ones; through the long summer days he spent his time counting musk-rat or musquash skins until his fingers were raw. This was the initial step in the making of a fur trader. But he was soon at pleasanter work; counting and sorting beaver, marten, mink, fox, and otter pelts. He rapidly learned the value of the different furs and under the direction of Chief Factor James Keith, who was in charge of the establishment, soon was able to tell from the weight and texture of a skin in what district it had been trapped. What interested him most were the fox skins—black, silver, cross, red, and blue—and he longed for the time when he would be able to judge the value of a silver fox pelt by the number of white hairs distributed through the glossy black surface.

He had other work to do that relieved the monotony of the fur room. There were thirty odd

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posts in the Montreal department, and much of the time of the clerks was taken up with examining, checking, and copying the statements sent in by the traders at these posts. Then the stock in the dépôt had to be accounted for. Simpson was a finical commander-in-chief and demanded that at all times he could have at a moment's notice a statement of the number of skins in store, and the quantities of trading articles in the dépôts, at the posts, and *en route* to the posts. He was a martinet, but much of his success was due to the pains he took to have in hand, to its most minute detail, the business of the Company of which he was the responsible head. He may not have made Donald A's life pleasant for him, but he was the means of giving him an invaluable business education.

The young fur trader found that he had joined an organization in which the discipline was as rigid as in an army. Chief Factor James Keith was one of the commissioned officers who joined the Hudson's Bay Company at the time of its amalgamation with the North West Company. He had a watchful eye over the young clerks, and as he was a close personal friend of John Stuart's must have taken somewhat more than ordinary interest in Donald A. But he granted him few favours, and the Highland lad found it difficult to obtain leave of absence even on the Sabbath. However, he sometimes visited Montreal, and on one occasion at least dined at the home of Edward Ellice. Among

## A NOTABLE DINNER PARTY

the guests were Peter Warren Dease, who had recently returned from a remarkable exploring expedition in the Arctic regions; Duncan Finlayson, who was about to leave for Fort Garry to take office as governor of Assiniboia, a man of marked integrity, superior intelligence, and a kindliness and even-handed justice that was to endear him to all men in the Red River settlement: and Peter McGill, the biggest business man of his day in Montreal, a Legislative councillor, a governor of McGill College, Chairman of the St. Lawrence and Champlain Railway, President of the Bank of Montreal, and soon to be Mayor of Montreal. These men little thought that the shy, somewhat awkward, fair-haired Scots lad in their midst, who, as a last resort, had bound himself body and soul to the Hudson's Bay Company, was a potential human force greater than the most successful among them. Dease had pioneered his way over rugged mountains and along difficult rivers; this lad in the fullness of time was to be the main force in driving a line of steel across the Rockies to the Pacific, fulfilling the dream of explorers from the times of Columbus—a North-West Passage to the South Sea, but a North-West Passage by land. He was to be President of the Bank of Montreal, a member of the Parliament of a united British North America, Chancellor of McGill University, and the builder of railways that make McGill's railway look like an ancient

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horse-car line. Finlayson was to be governor of Assiniboia, the second highest gift in the bestowal of the Hudson's Bay Company in America; but this apprentice clerk, sitting dumb at the board, was to attain the governorship of the Great Company and the High Commissionership of the Dominion of Canada, an office, and indeed a Dominion, which was still in the womb of the future.

There was much of interest and excitement during the first month of Donald A's sojourn at Lachine. Lord Durham on his return from Upper Canada, where he had been studying the political situation, stopped at Lachine and was entertained by Governor Simpson. He came believing that he had permanently put down rebellion, and had he been left to himself would probably have done so. He came in pomp and Simpson received him with lavish display—a thing he delighted in for himself and for any live lord or lordling that came his way. As the weeks flew by it was found that the rebellious attitude of a portion of the population of Lower Canada was far from being dead. Armed bands were gathering at different points in the province, and it was said that a body of rebels had planned an attack on Lachine. Young Smith was ready to do his bit at this critical time. On the eighth of November in a letter to his mother he wrote regarding the rebellion: "It is said that General Colborne and General McDonell will leave in person to-day, and this time it is certain that

## A LOYAL BRITON

the rebels will be shown no mercy. If it is not crushed soon, the civil and loyal population will enlist *en masse*, and you may expect to hear of my going as a soldier." He was ready to give himself to help put down rebellion against constituted authority. Sixty years later, when no longer able to fight, he was to send a regiment to South Africa to help suppress what he considered a rebellion against British authority. From youth to old age Donald Smith was loyal to the Company in whose service he was employed, loyal to his adopted country, and loyal to the great British Empire.

About this time he received a letter from his uncle, John Stuart. Donald had evidently written home giving as his reasons for joining the Hudson's Bay Company the deplorable political and social situation in the Canadas. Stuart was not altogether pleased that he had "finally elected to take service with the old Company." "I confess," he wrote, "I was at first filled with surprise." He had made up his mind that his nephew would settle in Upper Canada, no doubt in the employment of the Canada Company. However, Donald had burnt his ships behind him and the uncle had to accept the situation. He could win success with the gentlemen adventurers. "The only, or at least the chief, drawback," he said, "is that you are dependent upon the goodwill and caprice of one man, who is a little too much addicted to preju-

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dices for speedy advancement.” He hastened to modify this statement. Simpson could appreciate “downright hard work coupled with intelligence but was intolerant of ‘puppyism,’ by which I mean carelessness and presumption.” “It is his foible,” he added, “to exact not only strict obedience, but deference to the point of humility.” Donald A. was never a favourite with Simpson and his lot might have been made harder, if that were possible, had this letter to the apprentice clerk at Lachine been censored. His uncle closed his letter with kindly advice: “Life is all before you; keep a stout heart and lay in a stock of that desirable commodity, patience, and all will be well.”

For nearly three years Donald Smith was at either Lachine or at the posts in the immediate vicinity. He was taught field work by occasional trips to the trading centres on the Ottawa and spent a part of his time at the post on the Lake of Two Mountains and no doubt visited the posts at Fort Coulonge and Lac des Allumettes. During these years he had his heart set on the Northern or the Columbia departments. Each year as he saw Simpson make ready canoes with which he was to set out on his tour of inspection to the far west he hoped that he would be ordered to join the expedition. Each year as he watched the occasional canoes sweeping down the Ottawa from Fort William he longed to return with them to the

## THE KING'S POSTS

country where his uncles had achieved distinction. But Simpson had another fate in store for him. In the early spring of 1841, the little governor, small in soul as he was in person, returned from England where he had been knighted for his achievements in exploration; shining in borrowed plumage, for the work for which he was honoured, although under his direction, was done by men like Peter Warren Dease, and his own cousin, Thomas Simpson. He was now to set out in state on a journey worthy of a knight, a trip around the world. He was an ill-doer, and therefore, as the Scots say, an ill-dreader, and before leaving Lachine he decided to settle the future of young Smith, the nephew of John Stuart who had left the service of the Hudson's Bay Company contrary to his wish. There were no harder posts in the wide stretch of country occupied by the Company than the King's Posts, situated on the northern shore of the St. Lawrence, and extending from Murray Bay (Malbaie) to Mingan, a stretch of about three hundred miles. The region was rapidly being denuded of furs and now that silk had been substituted for beaver in the manufacture of hats these posts were proving unprofitable and might soon be abandoned. Simpson callously, at a moment's notice, ordered the Forres lad to make ready for a journey to Tadousac, the chief of the King's Posts. This was a cruel blow; Donald A. had evidently, with boyish enthusiasm, been

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telling his fellow clerks that he expected to be sent to the western country. There was much mirth at his expense when it was known that he had been ordered to Tadousac. The joke must have been bitter enough to young Smith. Neither he nor the other apprentice clerks could see that the King's Posts and afterwards Labrador were to be a case of *reculer pour mieux sauter*, to prove the best springboard for Rupert's Land. He was the sort of person, as it happened, whom not even Simpson with all his wealth of graveyards could successfully bury. But there were before the young trader years of the barest kind of life, and he was not made of iron to begin with. He had to harden himself by a painful process, to work up the iron out of flesh like other people. On one occasion his heart was to grow faint and he wrote home suggesting that he would leave the service. But his Spartan mother kept him at his post. Gradually he was to become inured to the life. He bent his back to the yoke and learnt well the first lessons to be mastered by anyone who wishes to succeed—to obey, to endure, to occupy himself with his business, and to hold his tongue.

When Simpson commanded there was nothing for it but to obey, and Donald Smith made hasty preparations for his journey to Tadousac. Two days after receiving his order he was on his way to Quebec along the north shore of the St. Lawrence by stage-sleigh. It was the end of March, but the

## AT TADOUSAC

season was a backward one and full winter still reigned in the land. Near Murray Bay the road ended, so Smith and his guide donned snow-shoes and tramped the rest of the way to the Saguenay, at whose mouth Tadousac is situated. They halted for a brief space while a boat was being secured to carry them across to the Hudson's Bay Company's post, which nestled at the river side in a setting of sand and rock, with a background of rugged hills crowned by stunted pine trees. At this point, about three hundred miles below Montreal, and at more isolated posts still further to the east, Donald Smith was to spend the next six years of his life.

Tadousac was not without its interest. It was the oldest known trading point in North America. Since Jacques Cartier first visited this shore in 1535 and from its rugged sterile appearance looked upon it as the region bestowed on Cain after the murder of his brother, traders and fishermen had been visiting it. There is a sheltered harbour at the mouth of the swift black river—or rather estuary of the sea—which only on two or three occasions in the memory of man has been known to be bridged with ice at its mouth. Here in the early days came the cockle-shell craft of adventurous mariners from St. Malo, Dieppe, Honfleur, Havre de Grace, and La Rochelle and an occasional Spanish or Dutch vessel after whales, walruses and seals, but rarely returning home without a goodly load of furs under their hatches.

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After the founding of Quebec by Champlain in 1608 there was some attempt to organize the trade of the Tadousac region, but the freebooters ever gave trouble. At first the companies in charge of the affairs of New France held the trading rights. Here the Kirkes came in 1628 and for four years held the place. When the Company of New France (often called the Company of the Hundred Associates) secured a monopoly of the trade of New France the privileges of the Tadousac trade were sold at auction. For a time they were held by the West Indian Company and finally when Royal government was established in New France the trade of the region below Quebec was taken back by the King of France and the trading centres along the north shore became known as the King's Domain (*Domaine du Roi*), whence the name "King's Posts." Under British rule the trading privileges were leased out to different individuals or companies until finally they were taken over by the Hudson's Bay Company. Here in the early days an enormous trade in furs had been carried on, but about the time of Donald Smith's arrival the trade was negligible, and but for the seals and salmon the posts would in all probability have been closed.

The snow was beginning to disappear when Donald Smith reached Tadousac and with the *bourgeois* who was in charge of the post and an employee or two he was kept busy making prepara-

## FUR TRADE METHODS

tions for the spring trade. The Indians were coming; "not men only, but women and children and dogs, of all ages and conditions, each dragging sleds, or hand-toboggans, bearing the precious freight of fur to the trading-post. The braves marched in front, too proud and too lazy to carry anything but their guns, and not always doing even that. After them came the squaws, bending under loads, driving dogs, or hauling hand-sleds laden with meat, furs, tanned deer-skins and infants."<sup>1</sup> When the post was reached trade at once began. Although the beaver trade had recently declined, the beaver skin was still the standard of exchange. The following is a concise and accurate account of the trade methods obtaining not only at Tadousac but at every post of the Hudson's Bay Company:

"The trader, having separated the furs, and valued each at the standard valuation, now adds the amount together and informs the Indian—who has been a deeply interested spectator of all this strange procedure—that he has got sixty or seventy 'skins.' At the same time he hands his customer sixty or seventy little bits of wood, to represent the number of skins; so that the latter may know, by returning these in payment of the goods for which he really barter his furs, how fast his funds decrease.

"The first act of the Indian is to cancel the debt

<sup>1</sup> Robinson, H. M.: "The Great Fur Land," p. 326.

## LORD STRATHCONA

of last year. This is for advances made him at the beginning of the season; for the company generally issue to the Indians such goods as they need, up to a certain amount, when the summer supplies arrive at the forts, such advances to be returned in furs at the end of the season.

“After that he looks round upon the bales of cloth, guns, blankets, knives, beads, ribbons, etc., which constitute the staples of the trade, and after a long while, concludes to have a small white capote. The trader tells him the price, but he has a great deal of difficulty in understanding that eight or ten skins only equal one capote. If an Indian were to bring in a hundred skins of different sorts, or all alike, he would trade off every one separately, and insist on payment for each, as he sold it. It is a curious and interesting sight to watch him selecting from the stores articles that he may require, as he disposes of skin after skin. If he has only a small number, he walks into the shop with his blanket about him, and not a skin visible. After some preliminary skirmishing he produces one from under his blanket, trades it, taking in exchange what he absolutely needs; then he stops. Just as one thinks the trading is over, he produces another peltry from beneath his blanket, and buys something else. Thus he goes on until, having bought all the necessaries he requires, he branches off into the purchase of luxuries—candy, fancy neckties, etc. Under so slow a process an

## TRYING EXPERIENCES

Indian trader needs to possess more than average patience.

“When the little white capote has been handed the Indian, the trader tells him the price is ten skins. The purchaser hands back ten little pieces of wood, then looks about for something else; his squaw standing at his elbow, and suggesting such things as they need. Everything is carefully examined, and with each purchase the contest over the apparent inequality between the amount received for that given is renewed. With him, one skin should pay for one article of merchandise, no matter what the value of the latter. And he insists also upon selecting the skin.”<sup>1</sup>

In such surroundings and at work such as this the future Lord Strathcona and Mount Royal was to spend over twenty years of his life. From Tadousac he was sent to still more remote King's Posts—Ile Jérémie, Godbout, Bersimis, Seven Islands, and Mingan. During the summer season life was bearable, his time was then fully occupied with trading and his clerical duties, but the long winters were most trying. However, he managed to keep his mind active and always had by him some standard work of history or literature. Among the books provided for its posts by the Company were some of those now almost forgotten but almost always admirably written volumes by its own traders, and in the long solitary

<sup>1</sup> Robinson, H. M.: “The Great Fur Land,” pp. 331-333.

## LORD STRATHCONA

hours of the northern winter the young fur trader read and reflected until he had thoroughly made the past history of the fur-trade as well as its present practice into stuff of his own mind and could look with clear eyes into the future. Occasional newspapers from Montreal and Quebec reached the post at which he was stationed. These he eagerly devoured and thus became as intimate with the public questions agitating the Canadas as the dwellers in the centres of population. While on the Ottawa he had begun the study of French, a knowledge of which was essential to anyone engaged in the fur trade in Canada. At the King's Posts he became, as he himself wrote in a letter home, "very friendly with the Catholic missionaries." They assisted him in his efforts to acquire a knowledge of the French language. He was particularly indebted in this regard to the priest at L'Anse St. Jean whom he spoke of as "a kindly young man, who has suffered many hardships and is ready to suffer more without complaint. I owe a good deal of my proficiency in French and many hours of companionship to him." His life at this time was not without its dangers. He had frequently to make lengthy journeys in the depth of winter, but he never went abroad without the most careful preparations against all accidents. He had always with him an extra supply of clothing and never failed to carry a heavy Scotch plaid, the parting gift of his mother.

## A YEAR OF CALAMITY

In 1847 Donald Smith was at Mingan, the Hudson's Bay Company's Post directly opposite North Point, Anticosti Island. With dogged determination he was plodding at his dreary duties, the outlook as gloomy as when he first began work at Tadousac. One summer day he returned from a trading trip to find the house in which he lived a blazing ruin. It is said that he "at once proceeded to fling into the flames his own clothing, books, and other effects" which had been rescued. For the moment he was in despair, the pent up feelings of years had got the better of him and he no doubt felt like leaping after his treasured belongings. This was a year of calamity. His eyes had been troubling him and in the early autumn he was threatened with snow-blindness. He was told that in all probability he would become totally blind. He had thrice written to Sir George Simpson asking leave of absence to consult a physician, but his letters had remained unanswered. In November the Company's schooner *Marten* was leaving Mingan for Montreal. If he let this chance pass by another opportunity of getting to a place where he could obtain proper medical advice might not occur for a year, and so with the consent of the *bourgeois* in charge he took passage on the *Marten*. When he reached Lachine he at once waited on Sir George. He was received in a most brutal manner and asked why he had dared to leave his post without leave of absence. However, Sir George

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called in his physician who at once examined the patient's eyes and administered a remedy. He told Sir George that there was nothing seriously the matter, and that there was no danger of total blindness, as young Smith had feared. On hearing which, the Governor turned to the sufferer and ordered him to leave for "his new post" in thirty minutes. His new post was in Esquimaux Bay (Hamilton Inlet) district on the bleak coast of Labrador. The snows of winter now covered the land; there was no stage farther east than Quebec, and to reach Esquimaux Bay he would have to travel on snow-shoes or on sleds for fully one thousand miles. A crueller, more heartless command was never given by a tyrant. But promotion was in sight; to refuse to obey would mean dismissal from the Company and the labour and hardships and training of the last nine years would be wasted. For a moment the rebellious blood surged to his brain, but the next moment he decided to obey, and bowing courteously to Sir George he walked from the little autocrat's cosy library and began his preparations for one of the most trying journeys ever taken by traveller or trader in the wilds of North America.

## CHAPTER VI

### ON THE LABRADOR

RIGOLET, to which he was sent, was then the *ultima Thule* of the service, the still more remote Fort Chimo on Ungava Bay having at this time been abandoned. Of the latter place one of his superiors wrote: "At this period I have neither seen, read or heard of any locality under heaven that can offer a more cheerless abode to a white man than Ungava. . . . If Pluto should leave his own gloomy mansion *in tenebris Tartari* he might take up his abode here and gain or lose but little by the exchange." Rigolet was a shade better than that. The post stood well up Hamilton Inlet, that great arm of the sea which almost cuts Labrador in two, and the climate there was milder than on the coast. The mountains even had trees on them; "trees," by his own account, "such as spruce and larch, birch and rowan, fir and willow, not at all scrubby, but many of a girth sufficient for a ship's timber. Then we have an abundance of berries of many varieties." But for all that the country was really an Arctic one with its long, iron winter and its brief summer, when by way of pleasant variety the men instead of being frozen were roasted and plagued with innumerable kinds of stinging flies.

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There, clad in red flannel shirt and homespun trousers, he scribbled at the desk, handed blankets and tobacco over the counter to dirty Montagnais and Nascopies and Esquimaux, and presided over the melting, storing, and lading of much blubber—in a word, plodded through the most irksome round of sordid duties in the most cramped and forbidding surroundings. By way of amusements there were rides with dog teams over the untrodden snow, like being drawn over gravel in a sheet and liable to such infuriating complications from the inborn perversity of the animals that the old *voyageurs* used to pay specified sums to the inventors of strange oaths to admonish them with. Or else there were long snowshoe tramps up and down the coast, sometimes at the risk of being carried out to sea on a piece of floating ice, and always with the chance of blizzards, snow-blindness, the excruciating inflammation of the ankles called snowshoe evil, and actual starvation, and the certainty of scarcely tolerable exhaustion, hunger, and the misery of extreme cold when the mercury in the thermometer could be used as a bullet. He was a prudent and cautious man and though he never shrank from any duty no matter what might be the danger involved he took heed not to expose himself needlessly or for mere sport. There was no fear of his coming to grief for want of a good margin in his supplies of clothing and food. But in such surroundings a man so immovably

## THE VIRTUE OF THRIFT

grounded in the principle of putting his work first must often give up all thought of comfort, and could not always avoid facing the most serious perils.

The characteristic Scottish virtue of thrift, always strong in him, manifested itself both in the more familiar form of saving money and in that finer shape which consists in making the utmost possible use of every scrap of raw material. It was sometimes pushed a trifle far, although balanced, also in characteristic Scotch fashion, by imagination and public spirit, and quite capable of daring enterprise and splendid munificence. But after all it is an admirable trait, confounded with niggardliness only by fools; the quick eye, the active and sensitive brain, the vigilant sense of stewardship indispensable for dealing with the small change of opportunity which makes the larger part of life.

These gifts Donald Smith had. They stood him in good stead both then and afterwards. He never failed to have something up his capacious sleeve for the call of emergency. He was always "good at need." He was, besides, one of those invaluable persons who cannot be imprisoned in routine. He could never be content with things as he found them but was always haunted by the better uses they might be put to, the more satisfying shapes they might be made to take. Even in Labrador he saw golden possibilities and to quite a notable

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extent dug them out for all to see. Had he remained there it is quite possible that with the aid of Wilfrid Grenfell, whose work was always followed by him with warm sympathy and generous help, he might have made a different future for that poverty-stricken land. The profits of the fur-trade there had been gradually falling off, because furs were becoming more and more scarce, but until his time no one had thought of any alternative business that might prove more lucrative. No sooner had he risen above a mere clerkship than he pressed on the Company the potential riches lying before them in the seals of those frozen coasts. Seal-oil became one of his chief exports, and the posts began to pay. His next venture was the shipping of fresh salmon packed in ice, which paid well for a time, and when the price began to decline he was the first to think of canning the salmon, a project which the Company carried out through his agency with the happiest results. Observing the enormous waste of fish and fish offal he urged that it should be used as fertilizer, and proved by experiments of his own that what he advocated was quite feasible. As England at this time was annually importing from Russia large quantities of cranberries and wild sarsaparilla, both of which grew plentifully all over Labrador, he tried to persuade the Company to put these native products upon the English market. In these latter designs, however, he failed to interest the authori-

## THE PUGET SOUND COMPANY

ties, probably not without good reason on their part, and he had to give them up. At the same time his thrift and shiftfulness operated to his own private benefit. At a very early stage in his promotion he saved some money and invested it. One of his first ventures was in the Puget Sound Agricultural Company, and he continued to put his money into that until he became the largest shareholder in the Company. That was thoroughly like him. What he once undertook he never let go. Observe, too, that already he was stretching out from the one extreme of the system, the coast of Labrador which he had made so thoroughly his own, to the other extreme on the Pacific. All of it lay in his head clear as a map. He had already begun to dominate the huge mass which his brain and will were destined to organize.

He was a really large and kindly patriarchal sort of person, too, genuinely interested in the welfare of the people about him even when they chanced to be Indians and Esquimaux. Among other things he loved to practise a rough but very effective kind of doctoring which depended largely on the medicative virtue of fresh air. By breaking a window and giving some mild antiphlogistic powders he once cured a family of scarlet fever which had already killed one of them and would probably have wiped most of them out. In an address to the medical students of the Middlesex Hospital he told with great gusto how the surgeons of Labrador

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had anticipated Lister in the antiseptic treatment of wounds by the application of a pulp made by boiling the inner bark of the juniper tree. When he rose to the dignity of a chief trader he became a Justice of the Peace and had the power to tie the bonds of a legal marriage. He was fond in after times of recalling these beneficent activities with a certain kindly garrulousness which well became his calm and vigorous old age, and of describing his offices in Labrador in the language of the Westminster Shorter Catechism as those of a "prophet, priest, and king." Although doomed in many ways to the life of a wild nomadic Esau he was *au fond* a Jacob, a plain man dwelling in tents. All his tastes were mild and civilized. It was his pride and pleasure to make a garden in the wilderness. Hamilton Inlet had the unique distinction in that rigorous land of growing potatoes of almost normal size. Indeed, his establishment grew to be rather more than a common garden. Applying his fish fertilizer he succeeded in growing almost every kind of vegetable while he even ripened melons and other fruit under glass. He sent to Orkney for poultry and hardy grains and cattle, to Canada for horses and sheep. These all thrived. Men coming out of the wilds after months of flour and pemmican must have been bewildered to taste beef and mutton at his table, to say nothing of vegetables and fruit, and perhaps to be taken for a drive along the rather pathetic two-mile stretch of

## A HYPERBOREAN GARDEN

carriage road he had constructed in that trackless land. One of a summer party of Americans claims to have discovered the greatness of Lord Strathcona long before the rest of the world on the indisputable evidence, taken from his Hyperborean garden, of the best cauliflower he had ever tasted in his life!

Such activities almost necessarily postulate a home. A few months after Donald Smith reached Rigolet, Chief Trader Hardisty was despatched to North-West River, still farther up the Inlet, and took his family with him to that isolated post. Every summer he came up to Rigolet with the schooner from Montreal, which brought goods and took away the furs and oil, and one year his daughter came also to help her father with his books in the annual bustle. For those long solitary reflective hours of which we spoke came only in winter. In summer when the furs were coming in to be examined, stored and finally shipped, when blubber had to be melted and salmon were being packed in ice and hurried off to capture the early market, Smith, as he said himself, "never seemed to find time to sleep." He would supervise the men all day and check accounts all night, sometimes walking about in his clothes for forty-eight hours at a stretch. Help of any kind was welcome, but the assistance provided in this particular summer made an epoch in his life. The keen dark eyes of Hardisty's daughter transformed the stern mon-

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otony of Labrador for the fair-haired Donald. Greatly daring, he won her and made her his own in the face of what most people would have deemed insuperable obstacles.

It was a perilous adventure indeed when these two lovers joined their lives in indissoluble union. And yet it was successful. The lady had much charm and capacity and an unusual power of winning and retaining the affections of the few who came to know her well. A daughter of the Hudson's Bay Company herself, she was thoroughly acquainted with the life and duties of its officers and well fitted to take a helpful share in them. She was by no means a tame worshipper of her lord nor blind to his little foibles, but knew how to play the part of critic at the hearth, a faculty priceless in all wives and especially in the wife of a much flattered and eminently successful man, liable to the dry-rot of self-complacency. On his part Donald Smith had a genius for domesticity and by his skill in gardening could contribute more than most men to the joint tasks of house-keeping under difficulties. Between them they began by making on slender resources a very comfortable nest among the rocks. In that unlikely spot they built up a well-ordered household, thrifty yet hospitable, not the least happy perhaps, though it was destined to be followed by many splendid mansions, of all the homes they occupied together during their long union of more

## A CHIEF FACTOR

than sixty years. Even death did not divide them long. Two months after the departure of his wife the husband followed her and preferred a share of her grave in Highgate Cemetery to a place in Westminster Abbey. They "climbed the hill together," a high and arduous one indeed from the first icy slope at Rigolet in Labrador to the House of Lords in Westminster. He led her by the hand to the highest summit so far as this world's rank and splendour go, and now these two "sleep together at the foot." It was a wonderful partnership, and the contribution made to it by the steadfast manhood of Donald Smith ranked very high indeed in the list even of his achievements.

His marriage was in 1853. About that time the slowly-attained promotion came at last and he was made a chief trader, assuming authority over the entire Hamilton Inlet district while Mr. Hardisty retired to Lachine. The life that has been sketched in the preceding paragraphs went on for nearly ten years more, until in 1862 (after the death of Sir George Simpson) he was made a Chief Factor with control over the whole of Labrador. To most men in the Company this was a crowning achievement. His life-work, however, was only beginning, nor was the current of his existence to flow much longer in the same even course.

In 1838 the Hudson's Bay Company had been granted for twenty-one years a monopoly of trade

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and the most extensive powers of government over all the territory occupied by them which was not already covered by their ancient charter. This lease of power was due to expire in 1859. Some few years before that date they made application to have it renewed and by so doing precipitated a serious inquiry into their own conduct as governors. A Parliamentary Committee was appointed and the great Company was summoned to give an account of its stewardship. Much evidence was taken on all sides and in spite of Sir George Simpson's plea that they had done all that could be done to colonize such an inhospitable land the Committee were not satisfied with the Company's record in civil government and recommended that as soon as possible the habitable parts of the country, especially the plains along the Saskatchewan and the Red River, should be ceded to Canada. As fur-traders, however, grappling with all the problems incidental to such a trade in a savage country among Indian tribes, the Company, it was held, had done well, and they were confirmed in their exclusive right to trade in such portions as were unfit for agriculture.

For ten years the finding of the Committee made no practical difference. The time was not ripe for any changes. Not until after Confederation could Canada undertake such a task as was involved in annexing the habitable part of the West. But the whole discussion had the effect of

## THE GREAT LONE LAND

turning men's minds more and more towards the possibilities of the Great Lone Land and the problems of its future. A syndicate of capitalists with Edward Watkin at their head proposed to build a road and a telegraph line across the continent. The Hudson's Bay Company, thinking of its game preserves as usual, flatly refused its permission. Negotiations ensued and in 1863 it was announced that the syndicate, acting through the International Financial Society, had bought out the old Company, lock, stock and barrel.

The measure had no immediate and tangible results. The road and telegraph came to nothing. But it had a very real result all the same in that it sowed a profound distrust and dissatisfaction in the minds of the wintering partners. These men, it will be remembered, were not merely the Company's servants but were true partners, each of them drawing his share of the annual profits, the interest on his capital of brains and skill. The system had been taken over from the old North West Company where there could be no doubt regarding their status. The sale of their Company behind their backs without advice or vote from them, a transaction taking place between two sets of London capitalists as if no one else were concerned in it, naturally occasioned bitter resentment among them. They conceived themselves entitled to a share in the purchase money. At the very least they held that their interests should

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have been safeguarded, for they were partners only in the fur-trade and if the scope of the fur-trade dwindled with the new projects of the new Company, as it was practically certain to do, their profits could not fail to dwindle with it.

Of all these doubts and fears Donald Smith partook, but his letters prove that even then he foresaw what was coming more clearly than any of his fur-trading correspondents and knew that they could not put back the hands of the clock. Away in his remote corner of Labrador he had read plainly the signs of the times which told him that the future was to be with the settler's ox-cart, not with the buffalo runners of the plains, and he had grasped the truth that the new order of things should mean not extinction but widely increased opportunity for them all. At the same time he sympathized in the grievances of his friends and waited anxiously to see what the next few years would bring.

In 1864 he had a holiday and went home to England, delighting his mother with this first visit since he had said good-bye to her twenty-seven years before, and spending much time in England, too, where he had opportunities of meeting the new London authorities of his Company and endeavouring to discover their probable policy. They, on their part seem to have realized that he was something out of the ordinary. After this visit he was a marked man in Fenchurch Street.

## THE NORTH-WEST AND CANADA

Indeed, the force that was in him could not much longer be confined to Labrador. The time had come when he was to reach out beyond those icy solitudes and join hands with men who were working nearer the centre of things. His accumulated savings having now amounted to a considerable sum, his investments brought him into close touch with Mr. Hugh Allan, Mr. Redpath, his own cousin Mr. George Stephen, and other well-known Montreal men, and these relations both financial and friendly became still more intimate when, in 1869, he was made head of the Montreal department, taking up his residence in the city which he ever afterwards looked upon as his home.

It was just one year later, in 1870, that the North-West was at length ceded to Canada, the Hudson's Bay Company receiving as compensation the sum of £300,000 in cash, in addition to sundry other considerations. At this fresh sale the smouldering discontent of the wintering partners broke into flame again. Determined not to lose their case this time for lack of an effort, they met at Norway House in July of that year and unanimously chose Donald Smith to go to London to represent them and prosecute their claims in Fenchurch Street. It was no small tribute these westerners were paying to a man from Labrador whom, until a few months before, they had never seen and of whom they had scarcely heard, but when he went over in the following spring he

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more than justified their confidence. It was a difficult mission. He found himself confronted by the most stubborn opposition. The attitude of the London Council was one of incredulous surprise at this unheard of invasion of their sacred and exclusive prerogative of capital. At a series of meetings and interviews he had to listen to vigorous and often rather contemptuous expositions of this point of view. He listened with unruffled patience, urging the claims of his clients with a bland persistence and a perfect knowledge of the situation which compelled an ever-increasing attention and respect.

In spite of the general reluctance to share with remote persons who had never once entered into their calculations a compensation which they had unquestionably regarded as entirely their own and had thought rather inadequate at that, there were among the shareholders and council many men of sense and justice who could not but acknowledge the soundness of his claims. And besides the strong plea of fair play to their officers, who were now, probably for the first time in the entire history of the Company, brought forcibly to the minds of those who profited by them, there was an unanswerable argument which finally determined the settlement of the question. The traders in the North-West could do without the English shareholders much better than the English shareholders could dispense with the traders. The last

## CHIEF COMMISSIONER

shadow of the old chartered privileges of the Company, which indeed had never amounted to much against a vigorous adversary, had now vanished. A new North West Company could be formed in a few days which would leave the Hudson's Bay Company in the undisturbed enjoyment of their £300,000 but might be pretty surely reckoned on to leave them very little in the way of furs, for it would be operated by their own revolting partners, the only men then living who really knew the business, headed by this extremely smooth-spoken and sagacious gentleman who had grown gray in their service.

Donald Smith scored a complete triumph, carrying off £107,000 to be divided among his clients. It was by no means an ignoble victory. To assault his superiors in this way, risking the loss of the position which had cost him thirty of the best years of his life to win, was possible only to a man of great courage and of unswerving loyalty to his fellow-partners in the wilds. To bring the assault to a successful issue required the prudence which was equally strong in him. These qualities made a strong impression during these stormy meetings, with the result that instead of wishing to depose him everybody felt that he was the one man to deal with the altered situation. He was unanimously chosen Chief Commissioner of the Company in Canada, that being the less pretentious name now given to the officer who had formerly

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been known as the Governor of Rupert's Land. It was as wise a choice for the English shareholders as it was a welcome one to the wintering partners.

Lord Strathcona was a good deal more than a fur-trader, but he was and never ceased to be that with all his mind and strength. His connection with the Honourable Adventurers of the Hudson's Bay terminated only with his death. He did not choose, it is true, to act long as Chief Commissioner. By 1874 he had tided over the delicate period of transition and had got things working smoothly enough to enable him to retire from that post. He was at that time, as we shall see later, much exposed to the storms of public life in the Dominion Parliament, and it was clearly to the advantage of the Company as well as of his own peace that he should not be embarrassed by any official connection with it. But he still fought its battles vigorously and guided its policy with sound counsels. He never failed when it was at all possible to attend the Board meetings in London. As a link between the old North-West and the new he was invaluable. He had the wisdom to see that the general interests of the country and those of his own corporation had now become identical and laboured assiduously and shrewdly for both. Such signal services obtained their inevitable recognition. He had the confidence of every factor from Labrador to Vancouver. As for the London authorities, they appointed him deputy governor in 1888.

## GOVERNOR OF THE H. B. CO.

In 1889 he was succeeded in that office by the Earl of Lichfield, and was elevated to the supreme place in the oldest and proudest of all the Associations of the merchant princes of England. In that year he became Governor of the Hudson's Bay Company, and retained that office till his death.

One thing at least in his life he did completely well. He knew the fur-trade, from the duties of the lowest clerk to the most far-reaching work of reorganization and supervision, as no other man ever knew it, with an insight born of actual painful contact with the facts at every stage and of a mind which could grasp the full lessons taught by that experience. To do one thing well in this sense means that a man's powers are developed and trained to a pitch at which they are readily capable of doing other things. Of this Donald Smith is a living example. But perhaps nothing would have pleased him better even to the end of his life than the knowledge that all those who had a right to an opinion acknowledged him to be the king of the fur-trade.



## CHAPTER VII

### THE RED RIVER SETTLEMENT

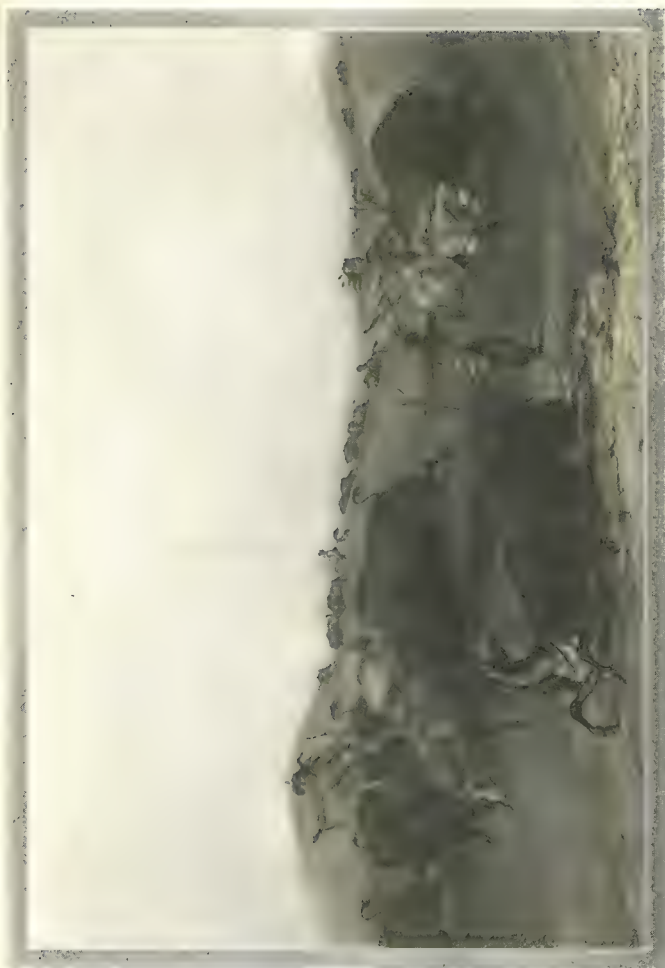
**T**HE Northern department, as we have said, was by far the more important. It embraced the western side of the Hudson Bay and the basins of the great rivers whose waters flow into it from that side—the Churchill, the Saskatchewan, the Assiniboia, the Hayes, and the Nelson—and stretched across the Height of Land, over the vast country drained by the Mackenzie, the Coppermine, and the Yukon, to the Arctic Ocean. It crossed the Rocky Mountains by the Peace River and included New Caledonia, the northern part of the present British Columbia. Thus it reached out to the shores of three great salt seas—Hudson Bay, the Arctic Ocean and the Pacific Ocean. Within its borders stood the two great distributing centres for the whole country, York Factory on the Bay, and Fort Garry, the new post built in Lord Selkirk's settlement.

York Factory had almost from the very first been the focus of English activity in the Indian trade. At the time with which we are concerned at present, it might be said still to retain its preëminence, though Fort Garry was rapidly overtaking it as a centre of distribution and collection. York

## LORD STRATHCONA

Factory was a desolate and dreary spot in comparison with this populous centre, but it was still the main port of entry for the merchandise used in barter with the Indians. It was not much further from the Thames, from which practically all that merchandise still came, than New York or Montreal, and it was in those days a far cry, indeed, from any point in the North-West to either New York or Montreal. So it was on the wharf of York Factory, slippery then as now with Arctic blubber, that the Company's ships from Gravesend, the "Prince Ruperts", "Prince Alberts" and the "Princes of Wales," landed the goods carefully made up in "cases" or bales of a hundredweight each for convenient stowage in the boats and carriage at the portages. Hence, on the return journey were conveyed to London and from there, after the necessary dressing, to the great fairs of Frankfurt and Leipsic, the beaver, marten, otter, and seal skins trapped by the Indians in autumn and winter over this illimitable hunting-ground.

Fort Garry had an importance of its own of a different kind. It was the main source of labour and food supplies for the whole Northern department. The great majority of the *voyageurs* lived here. From here, too, the plain-hunters set out to chase the buffalo. Some thousand men and twelve hundred Red River carts—stout, clumsy vehicles made entirely of wood and creaking excruciatingly—found employment in this fundamental



BUFFALO HUNT  
*After a painting by George Catlin*



## BUFFALO HUNTING

industry, "the tap-root," as Governor Berens of the Hudson's Bay Company once called it, of the fur-trade, which like all other human enterprises could only move on its belly. Twice a year, in June and August, they set out for the summer or autumn hunt in their creaking carts with all their families, who found plenty to do in preparing the meat of the slaughtered buffaloes. They remained on the prairie about two months and a half, with a short interval between the hunts spent in the settlement to dispose of the summer bag. The hunts exhibited a curious combination of the most admirable order and discipline in camp where the men subordinated themselves entirely to officers of their own choosing, and the wildest fury of excitement in the chase. They loaded and fired on horseback with incredible rapidity, tipping in a sprinkling of gunpowder from their horns, spitting into the muzzle one of the bullets of which each carried a moist mouthful, tapping the butt-end on the pommel of the saddle to make it do the work of a ramrod, and firing without ever waiting to raise the gun to the shoulder. Naturally there were a good many maimed hands and missing fingers among them. But the bags were enormous. A single hunt might bring back to the settlement about a million and ninety thousand pounds of meat, most of which was made into pemmican, becoming available for the provisioning of future "brigades."

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Scarcely less important though not quite as unique was the position Fort Garry had attained even at that date as a grain-growing district. Already discerning eyes were beginning to perceive that there was no limit to the productive capacity of the prairie land except the extremely limited local market, the difficulty of exportation abroad, and the jealousy of the Hudson's Bay Company, which wished to keep its vast game preserves and had no desire to see its beavers and buffalo driven out by the plough. But no doubt to the imagination of the handful of white men and half-breeds and the sparse hordes of Indians strewn here and there in the vast desolate places, the glory of Fort Garry was that it was fast getting to be somewhat of a town. The long line of wooden houses along the rivers was the germ of that mighty organ of human culture, a city. To the denizens of the wilderness it was a buzzing hive of industry, a place of fabulous wealth and splendour. Within a distance of twenty miles it had two forts, the Upper and Lower, not mere wooden buildings with a picket fence around them as everywhere else, but, at least in part and in one case wholly, of squared masonry with bastions at the corners. There were six churches, some of them, too, built of stone, gorgeous palaces called hotels where drinks of all kinds abounded, splendid equipages, shops, blacksmiths' forges, windmills, circular saws, grist-mills, one or two schools, a Recorder's

## THE PARIS OF THE FUR TRADER

Court, policemen and a jail, and a real live bishop. It was said that two governors lived there, the Governor of Assiniboia, a mighty chief, and sometimes even the Governor of Rupert's Land, the head of the Hudson's Bay Company which owned everything, surely the greatest man in all the world.

In the eyes of the European servants of the Company, too, the settlement bulked scarcely less large. Many of them looked forward to retiring there some day among human faces with the fruits of a life-time of diligence spent in the wilds. It was the Paradise or Paris of many a lonely trader on Lake Athabasca or Great Slave Lake, in Fort Vermilion or Fort Good Hope, to which, if they were good, they might hope to rise in long circles of spiral ascent, after they died at least, if not before.

These two centres, Fort Garry and York Factory, joined hands to communicate with the distant posts, each of them playing an indispensable part in the undertaking, and to follow one of these expeditions will serve to throw light on the relations between them and on the transport system of the country. The "Portage la Loche" brigade connected the Arctic regions with the comparatively temperate country south of the Churchill, and was the means of exchanging foodstuffs from Fort Garry and goods from York Factory for the furs of the north. By this time the canoe

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had fallen into disuse as a freight-carrier and this brigade consisted of seven, or later fifteen, "York boats" each of which could carry three and a half tons of merchandise and had a crew of nine men. These crews had their homes in the Red River district settlement, were enrolled at Fort Garry, and began operations from that point. As soon as Lake Winnipeg was clear of ice, about the first of June, they started with their first cargo of grain and pemmican from Fort Garry, which was unloaded at Norway House after an initial journey of ten days and stored there to be carried north by another brigade later on. Its place was taken by the bales of goods from England which had been conveyed the year before from York Factory and had lain in store at Norway House throughout the winter awaiting the arrival of these boats. After two days spent in rest and hilarity on the green from which Playgreen Lake took its name, the serious part of the voyage began. Twelve days took them across Lake Winnipeg and up the Saskatchewan to Cumberland House. Leaving the Saskatchewan here for the Churchill they worked up the great river for twenty-four days longer before they reached Portage la Loche, which gave its name to their brigade, the height of land, twelve miles long, between the Churchill and the Mackenzie. Here they must pack their goods over half the twelve miles, the men from the Mackenzie exchanging burdens with them in the middle,

## TRANSPORTING GOODS AND FURS

carrying the bales of furs on their backs to meet them and returning to their boats with the bales of merchandise and the summer freight of letters while the Portage brigade reversed the process. Then followed a much-needed pause for rest. When the men had recovered somewhat they pushed off again, down stream this time, steering their valuable freight of peltries to Norway House and from there down the Hayes River to York Factory. There they waited for the Company's ship, if she was not riding among the sandbanks when they arrived, and handing over their furs to sail by her to Gravesend they took back to Red River as much of the merchandise brought out by her as they could stow away. The men got back to their wives and children about the eighth of October after an absence of more than four months. During all this time they had lived on pemmican and flour and had never once slept in a bed. One is not very much surprised to learn that except for some hunting and fishing they did not do much the rest of the year.

Something of the same sort was going on all summer on every one of the great rivers which served as arteries to the vast body of the Company's domains. Later on, as Minnesota filled up, the Red River carts imported merchandise from St. Paul's, and Fort Garry attained an even greater importance. There was a well-beaten trail for these carts across the prairie to Fort Carleton on the

## LORD STRATHCONA

Saskatchewan and even as far as Rocky Mountain House, a distance from Fort Garry of 1,100 miles.

But a change was coming. In 1867 the British North America Act created the Dominion of Canada. Immediately the new federation began to look towards those fertile western lands which the report of the Parliamentary Committee of 1857 had practically assigned to it. The general eagerness to acquire them was equalled only by the universal ignorance of their nature and extent. Nobody in Ottawa really knew anything about the Red River settlement until it suddenly sprang into prominence three years later by giving a rough jar to the calculations of officialdom in the Canadian capital as well as in Fenchurch and Downing Streets.

The Hudson's Bay Company had known it at close quarters to their sorrow. Red River and Fort Vancouver, the two dots of civilization in their vast domains, had been their most troublesome problem, for the Company did not want civilized settlements, did not know what to do with them, and was well aware that in the end it could not fail to lose them. In the remote west the change which created the Crown Colony of British Columbia was precipitated by the sudden influx of population that followed the discovery of gold there in 1858, but at Red River things moved very much more slowly. There was no such rush of

## THE SELKIRK SETTLERS

settlers as beyond the mountains, and those who did come were of a different class.

Lord Selkirk had pointed ahead to a more excellent way of using the prairies than the hunting of buffaloes and the trapping of beavers. But in the work in which he had taken the hard first steps he found no immediate followers. The men of authority who came after him fell back completely into the old fur-trading rut. His colony survived him, it is true, thanks to its own indestructible toughness, as a tiny germ and earnest of a great future. But no more Sutherland Highlanders were brought out to swell its ranks. It remained the forlorn fragment it was when it dropped from his hand at his death, a mere discouraged and starveling appendage to the fur-trade which he had intended to subordinate to it.

The nucleus and backbone of the settlement was the Highland Scotch element. They had borne the brunt of the early suffering and struggles, cut down by one disaster after another, flood and drought and grasshoppers, so that for the first ten years they made scarcely any headway at all. The first fair crop was reaped by them after a struggle of nearly twelve years. But in spite of all their bitter miseries and disappointments, they stuck to the hoe and took firm root. It was their painful experience which yielded the proof that farming was possible in that country, and the continued existence of the colony was their work.

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But after the darkest hours had gone by and the settlement began to grow, they were largely swamped by new-comers, mainly French Canadians and French half-breeds, a gallant and attractive people who cannot, nevertheless, be said to have done much more than the Indians themselves towards paving the way for the future. Perhaps the prospect of having plenty of neighbours helped to draw them to the Red River, for they were the most sociable of mortals. They had a passion for rude junketings and dances. They would share all they had with a guest to the last mouthful and the last ounce of tea if they had to fast for a month after. Their presence certainly added to the gaiety of nations and gave a dash of colour to the somewhat sombre scene. Nor were they by any means mere picturesque parasites. At their own kind of work, as *voyageurs* and hunters of the buffalo, they were unequalled. Moreover, their value as a bond of mediation between the white man and the Indian, whom they understood perfectly, was very great. If the north-west had been destined to be a fur and buffalo country for ever, these splendid half savages would have been the soul of it. But they belonged essentially to the old order which it was the business of the colony and the achievement of the Scotch settlers to supersede. The time was at hand when Othello's occupation would be gone, for the half-breed was quite unfit for the dull

## A STRANGELY MATED PAIR

business of steady drudgery in the fields waiting to see potatoes and turnips grow. He was a squatter, not a farmer. He cut down and sold all the trees upon the land he annexed, cultivating only a few roods of it in the most slovenly fashion, then moved off to another patch to repeat the process, and made his claim for settlers' improvements when some more thrifty person took up the land he had denuded. Economically he was the most impossible of men.

Thus, the Red River colony might be figured as a car drawn by a strangely mated pair, a patient plough-ox and a wild ass, with the Hudson's Bay Company for driver. The Company were not exactly wizards with the reins, and indeed the problem of guiding and ruling such a community was not an easy one. In governing such wayward natures as the French two things were indispensable, evenhanded justice and an authority backed by a visible force which none could question. Neither the one nor the other *desideratum* ever came to light under the auspices of the fur-traders on the Red River.

The constitution of the settlement was, indeed, a model of reasonable simplicity. It had a governor of its own, called the Governor of Assiniboia, with a Council and a judicial officer called a Recorder. But the governor was usually a factor of the Company and always appointed by its London Council. The Recorder drew his salary from them,

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the members of the Council of Assiniboia received their commissions from the Company on the recommendation of the Governor of Rupert's Land, their all-powerful representative throughout their dominions, who took precedence of the Governor of Assiniboia and held the whole constitution and its working in the hollow of his hand. It need scarcely be said that everything in Red River was subordinated to the fur-trade. With the best will in the world a government whose members were primarily anxious to win dividends for themselves and their shareholders could not show fairness to interests which could not always harmonize with that supreme end. Much might have been done with the brave and generous, though childish, half-breeds. They were, of course, in nearly all cases quite illiterate. The very first step towards improving their condition would have been to get hold of their children and send them to school. A benevolent despotism such as the government could very well have exercised might surely have imposed some system upon the plain-hunts, checked the frightful waste attending these, applied to them some elementary method of accounting such as was altogether beyond the capacity of the hunters themselves, but should have been within the province of a book-keeping government, limited the number who took part in them, and gradually turned the attention of the great majority more and more towards farming.

## THE BEAVER POINT OF VIEW

The Company, however, attempted nothing in that direction. . . . Civilization might have made the half-breeds less amenable if not less useful, servants. It made use of their labour just in so far as suited its own interests, bought from them a certain amount of pemmican and tallow, without concerning itself at all about finding an outlet for any excess there might be beyond the home demand, and left its wards entirely to their own devices, in the exercise of a truly British freedom to go to perdition in their own way so long as they indulged in no illicit fur-trading—the one means open to them of turning a little ready money.

The Scotch farmers met with no better treatment. Their land was producing well now, and they could have become rich if they could only have found a market. But Sir George Simpson steadily frowned on every proposal to create an export trade. He could never get beyond the beaver point of view and did not wish to see the settlement develop to a point where it should be more than a subordinate adjunct to the fur-trade, producing just so much as was necessary to supply its needs. Its function, in his view, was to provide pemmican and flour and butter for the boats and forts. What the settlement wanted was some means of disposing of its surplus production. Sir George Simpson, who would do nothing to that end, was lavish to recklessness in furthering every hairbrained scheme

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the success of which would only have added to that impracticable surplus. He promoted experimental farms, a buffalo wool company, the growing of hemp, and many other preposterous enterprises. He would not give the one thing that could have helped. To make matters worse, the Scotch were supplied with a characteristic and most unnecessary grievance in the failure of the Company to provide them with a minister of their own faith. Instead, a clergyman of the Church of England was brought out to take over the cure of these Highland souls to whom the rites and liturgy of his communion were as rags of Babylon.

Unlicensed traffic in furs was the one deadly sin. The most vexatious interference with the liberties of the subject was resorted to in order to prevent it. Illicit trading was of course impossible on the Company's ships which were the sole means of communication with England, bringing over all the English imports on their return voyages, so that the Company really controlled the retail trade of the settlement and made a very good thing out of it, charging eight pounds a ton to the shopkeepers for freight, with an import duty of seven per cent. Goods cost seventy-five per cent. more in Red River than in London. On the American side, however, the settlers could attempt to get the better of the Company and as the means of transport improved, especially after the railway reached St. Paul, much merchandise came in

## A FARCICAL TRIAL

from the United States, and probably not a few furs made their way thither. The half-breeds came to be on very friendly terms indeed with the Americans and proportionately discontented with their own government. The colony was full of grumbling and mutiny, the half-breeds after the manner of their kind shouting most loudly though they had least to complain of.

The Company's rule was just as lacking in firmness as in fairness. It governed, its advocates say, by "moral suasion," that is, in plain English, it did not govern at all. Its system was a travesty qualified till nearly the end by the competence to collect small debts. In 1849 four French half-breeds were summoned to trial in the criminal court on a charge of accepting furs from Indians in exchange for goods. Their friends flocked to the trial armed; everyone in the courthouse was at the mercy of the half-breeds and they were so insolently conscious of their power that it was scarcely less impossible physically to convict the prisoners than morally to acquit them. The court succeeded in saving its face by pronouncing them guilty but dismissing them on the ground that they had been given permission to trade by one of the Company's own servants. But the half-breeds knew they had won a victory. They had laid the opposing game-cock low, a heap of ruffled feathers on the dung-hill. Nor did they omit the crow of triumph. Amid innumerable salvoes of small fire-

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arms they expressed their exultation with the most insolent *éclat*. It was the abdication of their rulers they celebrated on that memorable night of the seventeenth of the month of May, 1849. Many persons after that date had sentence duly passed upon them, in every case upon the most solemn grounds of justice, and made acquaintance with the gaol at Fort Garry, but none of them who could muster a dozen resolute friends to come to his rescue stayed there a single night longer than he chose.

What was wanted was a strong police force. The Company begged the British government for soldiers but did not choose to incur the expense of maintaining a force of its own. Yet with all its fatuity, one cannot but pity its officers under the humiliation of the constant evasions and concessions and connivances by which they endeavoured to avoid a collision from which they knew they would be the sufferers. The Great Company whose charter empowered it to raise armies and fleets could do no more than just barely keep the Queen's writ running for the balancing of grocers' ledgers, and the day was soon to come when it would have to confess itself unequal even to that. The half-breeds were like spoilt children, ill-conditioned boys in a school where discipline has gone slack and the cane is an exploded tradition. Mutiny had become their normal state and they drank in greedily from their friends at Pembina the

## FISHERS IN TROUBLED WATERS

crudest vapourings of western American tall-talk about republican freedom and British tyranny.

About 1860 a new thorn, or rather thicket of thorn-bushes, was planted in the side of the unfortunate Company when adventurers from Canada began to drift into the colony. It is not too much to say that these men were the main source of all the miseries which followed. Eager fishers in troubled waters, they were astute enough to divine that at some not very remote date the settlement would become part of Canada. Meantime, they took care to cut much grass against the dawn of civilization when the sun should shine for their hay-making. They were of course—not serving God for nought—super-patriots, statesmen, and imperialists, combining an astonishing ardour for small private gains with a flaming zeal for the larger interests of the State, and practising the dexterities of the artful dodger with great success under the far-flung shadow of Britannia's spear and shield. Above all, they were the champions of freedom and the Protestant religion against the intolerable yoke of the Company's tyranny, whose will to despotic power, though doubtless real enough, was almost a virtue compared with the ludicrous impotence it displayed in failing to bring its despotism to bear like a sledge hammer for the extinction of such thieves and rebellious vermin. Yet the creatures were formidable because, unlike their masters and fellow-subjects, they were

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articulate. They could, after a fashion, wield a pen which was something of a weapon where Justice had lost her sword. In their organ, the *Nor' Wester*, they poured out a weekly stream of abuse, little regarded, indeed, in the house of its spouters—they were well-known to everybody there—but greedily swallowed by the Orange lodges of Ontario to the violent inflammation of public opinion in that far country where its unchallenged froth and foam were erroneously assumed to bear some relation to the facts.

The real centre of the troubles which at long last brought heavy incompetence with sorrow to its grave was the redoubtable Doctor John Christian Schultz, who had come to Fort Garry in 1860, practising medicine on somewhat doubtful qualifications. Such practice, however, was not very lucrative at Red River and Schultz soon found other and more promising avenues for his talents. He had a share in a small shop and in a "hotel," to say nothing of certain other even more profitable operations which were not so publicly professed. A born agitator and bully, it is no surprise to find that in 1864 he became proprietor of the *Nor' Wester* which certainly slackened none of its energy under his management. He was a person of some robustious dexterity not encumbered by scruples. Seldom, indeed, did he allow any meticulous respect for truth or decency to hamper him where his personal interests or ani-

## DR. JOHN CHRISTIAN SCHULTZ

mosities were concerned, and as the authorities were soon forced to incur his displeasure by blocking the somewhat too headlong rush of his youthful assault upon fortune they became the marks of a furious and very skilfully directed fire from the batteries of the newspaper, which, as we have said, reached a much larger and more important public than the immediate one at Red River. His absurd and mendacious sheet was, indeed, the only source of information to the outside world about the affairs of the colony. Mr. George Brown, the editor of the *Toronto Globe*, believing what he wished to believe, accepted his version of events and by offering them to his own large constituency aroused a very violent feeling in Ontario against the Hudson's Bay Company, which contributed not a little towards the final muddle.

The law courts had already resigned all hope of executing verdicts, however regular and equitable, which ran counter to the feelings of any considerable group of their subjects. But they still believed that they had power enough to command respect for judgments in private suits which affected only individuals. Schultz effectively disabused them of this delusion and showed them that they had no machinery to cope with a single determined ruffian in a case that concerned nobody but himself and the unfortunate litigant on the other side who depended on the Company for justice. Two

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trials of strength demonstrated this fact thoroughly and conclusively.

On the first occasion, in 1865, Schultz sued his half-brother McKenney for a sum of £300 alleged to be due to him. When first the case came up, McKenney was unable to appear and the case was adjourned. Schultz had really not a leg to stand on as far as the merits of the case were concerned, so when the court met again he indulged himself in a torrent of abusive language directed against the authorities, alleging that they had been brow-beaten by McKenney and had neither the power nor the will to do justice. Even the most placable tribunal must make some show of respecting itself. They told him that the court could not hear him further, but that he was at liberty to present his case by means of an agent. This was his opportunity. He refused to accept the unmerited indulgence offered to him, losing his case, which he never could have won, and then posed as a martyr in the *Nor' Wester*, which denounced the action of the court as one more attempt on the Company's part to crush an opponent in trade by refusing him justice.

On the other occasion Schultz himself was sued by an English creditor for the sum of £296 on the evidence of a bond bearing his name. Though regularly summoned before the court he did not choose to appear or to give any reasons for his absence. He took a trip to Canada instead.

## THE ARREST OF SCHULTZ

Judgment was therefore given against him, and for eight months he was vainly implored to submit to the law and pay his just debt. At last the sheriff appeared in Schultz's store and seized a large pair of platform scales. A wild scuffle followed, Schultz being a Titan in size and strength, and with plenty of physical courage. He was at last overpowered, bound with a rope, and haled away to prison where he was committed by a Justice of the Peace to wait his trial for violent resistance to the law. That same evening his wife led a small party of her neighbours to the gaol and forcibly released him. The victory was celebrated by abundant libations to the Goddess of Liberty. This was too much even for the government of Red River. They could not quite venture to rearrest him, but they did take a step which might, one would think, have been taken long before. They proceeded to enrol a police force. There was no difficulty in finding men. The trouble was quite the other way, for every French half-breed in the colony was in haste to be one of the number to escort Schultz to prison. The consequence was that poor Governor McTavish was afraid to use the weapon he had forged. Irreparable mischief might be caused by arraying English against French and so setting his whole colony by the ears. The nimble doctor, however, did not much like the look of things and held out the olive branch by petitioning for a new trial—a petition

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instantly granted, of course. And then this incredible government proceeded at once to undo the single vigorous act into which the extremity of scorn and humiliation had stung them at last. On the ground that the trouble had blown over they got rid of their entire force of constables, thus publicly confessing that to cope with a single law-breaker they had been compelled to strain all their resources to a degree which economy forbade them to keep up. Nor were they done with Dr. Schultz yet. Finally brought to book, and asked what reason he could show for repudiating indebtedness, he produced a former clerk of his who swore to remembering quite distinctly that Schultz had in his presence paid to his creditor the sum of £275, and that it was agreed between them that the transaction was to be kept secret, payment not being marked on the note. Verdict was given that Schultz should pay £21 instead of the £296 still due on the face of the note. Governor McTavish was so thoroughly disgusted that he paid the whole sum of £296 to the creditor himself.

Such being his way with the upper powers, one can easily conceive how much room Schultz and Company had in their world for the poor Métis. They despised and meant to exterminate him. These amiable feelings were returned with interest. Thanks to these apostles of brutal economic superiority and civilized arrogance the name of Canada stank in the nostrils of the half-breeds.

## A DIVIDED COLONY

They saw in them the first wave of a flood which was to sweep away their livelihood and all that made life worth living for them. The signs of the times were not hard to read. In 1868, expecting in the near future to get possession of the country, the Canadian government took upon itself to push the survey for a projected road—intended to relieve the distress which then prevailed in the district—between Rainy Lake and Red River. The survey itself was not popular with the half-breeds, being the thin edge of the wedge they dreaded, but their hatred was increased tenfold by the pretty tactics of Dr. Schultz. He put up a store at Oak Point, the headquarters of Messrs. Snow and Mair, the surveyors, and supplied their men with goods for which the leaders paid him out of the pork and flour in which the men got their wages. With this same pork and flour the ingenious doctor proceeded to buy up the Indian titles to all the land in the neighbourhood, thus pocketing a double profit on his original goods, to say nothing of the lands. The half-breeds, knowing the purchase to have been made with Snow's pork and flour aimed their resentment straight at him, at his survey, and finally at the Canadian government. More and more the colony was tending to divide along the lines of race and religion. The English and Scotch settlers for the most part minded their own affairs, but in the event of any actual clash were likely to side against the French,

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while the French and the Ontario Canadians were like two male cats glaring at one another, ready to spring and only held uneasily in check by a nervous old maiden mistress, in the shape of the government of Rupert's Land, walking up and down between them and soothing them by flattering words instead of quenching their feline lust of battle with a well-aimed dash of cold water.

In the course of Dr. Schultz's manœuvres to evade paying his £296, during one of his absences from the settlement, his party presented a petition to the governor and Council calling upon these authorities to exercise a power they did not own and establish manhood suffrage on Red River, proclaiming the enlightened principle that "all persons possessed of common sense (they did not see fit to add common honesty) have a right to a voice in the government which they live under." Immediately a counter-petition was circulated and signed by many of the solidest men in the colony who had no mind to see such an experiment tried upon such material. It was also signed eagerly and tumultuously by the French half-breeds who loved the doctrine of the petition they protested against but hated its authors, and who above all burned to subscribe to one sentence of the protest denying a statement of the *Nor' Wester* to the effect that the recent liberation of Schultz from prison had won the approval of the whole population. Eight hundred and fourteen signatures the counter-

## THE NOR' WESTER THREATENED

petition shewed when they carried it in triumph to the *Nor' Wester* office and required that truculent sheet to eat its words by publishing the full text. It was a bitter pill for Mr. Walter Bown, Schultz's lieutenant in charge. He took the petition, however, and they left in the belief that they had come off victorious.

Some days passed. No petition appeared in the *Nor' Wester*. Then on Sunday, April 26th, a notice was publicly read on the steps of St. Boniface cathedral calling on the half-breeds to gather the next day and wreck the printing-press. Mr. Bown thereupon stooped from the lofty tower he held as the champion of popular liberty, to approach the government he had so long reviled as Star-Chamber despots and beg protection against his own converts to the doctrine of unlimited right to mutiny, who followed to the governor's house snarling upon his heels. It was a situation not without elements of satisfaction to the sorely tried McTavish, but it was decidedly awkward as well, unless he were willing to see lynch law executed before his very eyes. Moral suasion had to be resorted to once more to quiet these violent zealots for law and order, and reconcile for the moment the conflict between the two equally defiant and contemptuous extremes of the insurrection against his authority. In the end they came to an agreement in which, as usual, the Canadian party had the better of the other, Bown promising to print

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them fifty copies of their counter-petition separately instead of putting it in the *Nor' Wester*, thereby satisfying their infantile credulity while he avoided the necessity of writing himself down a liar before his Ontario public.

Such was the situation at Red River on the eve of its entrance into the Canadian Confederation. The powder barrels were piled for an explosion, with no firemen and no pumps at hand. It was in little what Lord Durham found in Canada at large—"two nations warring in the bosom of a single state." One man might have kept the peace and made the perilous transition smooth—Archbishop Taché. But the Archbishop had gone to Rome to attend the Vatican Council, and the omnipotence of his church among that obedient flock was in the hands of certain priests who did not exert themselves to any painful extent to earn the beatitude pronounced upon the peace-makers. They did not even raise a finger to stop a perfectly senseless murder in cold blood, which the Archbishop on his return found it necessary to cover up with his pallium to keep it from recoiling upon its perpetrators. The fact is that annexation to the United States seemed to many of the faithful a less undesirable destiny for their Eden at Red River than absorption by the type of Protestant kultur represented by Dr. Schultz. We can hardly blame their preference or accuse them of folly in their calculations. It is little short of a miracle that the

## THE NORTH-WEST IN DANGER

Americans should have missed their chance. In those days they had not yet become "too proud to fight" and a very small show of force would have been amply sufficient. At that moment the north-west might have been swallowed like an oyster. Mr. Gladstone, who a short while before had suggested that the probable loss of the southern states to the union might easily be made good by the seizure of Canada, would have pronounced a flowery benediction on the meal.



## CHAPTER VIII

### THE RED RIVER REBELLION

**T**HE future hung by a worm-eaten thread when on June 1st, 1869, the long-expected bargain was arranged between Canada and the Hudson's Bay Company, the latter giving up their chartered rights in consideration of a cash payment of £300,000, with blocks of land around their forts not to exceed in all 50,000 acres, and 1-20 of all the land in the fertile belt as it came within fifty years to be opened up for cultivation, paying their share of the surveying expenses up to a specified minimum. A very good bargain indeed for the Company, seeing that they were giving up a somewhat shadowy title to lands which they had never been able to turn to any account, and governing powers, which had brought them only annoyance and humiliation. No abdicating sovereign ever retired into private life upon a handsomer allowance than the great Company took with them into the security of the dry-goods business. Within three years of this time they had sold thirteen acres of their reserved block around Fort Garry for the very respectable sum of \$91,000. One begins to have some faint idea of the wealth represented by those 50,000 acres of land,

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every block of which included an important trading centre likely to be the nucleus of a city. Yet, as we have seen, but for Donald Smith they would never have thought of sharing their gains with the wintering partners who really did stand to lose something by the change.

On November 19th, 1869, the Hudson's Bay Company surrendered their territory to Her Majesty. The formal transfer of the country to Canada was expected to take place on December 1st, 1869. If there had been one living man in eastern Canada who had made any attempt to find out and publish the plain facts it might have occurred to some moderately acute mind at Ottawa to put to itself the question; "Given an existing Government feeble to the point of decomposition, whose agents, moreover, are discontented at the approaching change and in no mood to sacrifice one stiver to consummate it; a population habituated for many years to the joys of mutiny and impatient of the slightest restraint; an entire absence of police and military force; a half-savage people who dread all change, instinctively feeling that it must disturb the only life they can lead, and who have special reason for fearing the approach of the compatriots of Dr. Schultz and his land-grabbing friends; and a Canadian government which has not made the slightest effort to allay their fears by treating them as reasonable beings, what will happen?" Apparently nobody did ask himself that question, and

## WILLIAM McDUGALL

everybody was surprised when something happened.

The government was not altogether without warning. Mr. Mair, the contractor and poet, took the trouble to predict the catastrophe he had unwittingly done something to bring about. In July, 1869, Mr. William McDougall, minister of public works for Canada, sent out a surveyor named Dennis to lay out townships throughout the country. This man, who later on was to play a sufficiently ill-judged part, seems yet to have had discretion enough to know it was raining when he was wet to the skin and wrote more than once to his chief advising that the enterprise should be given up for the present. His remonstrances produced no effect upon Mr. McDougall, who apparently did not even communicate them to his colleagues. The work was checked all the same. In October a party of half-breeds headed by one Louis Riel visited the surveyor, threatening personal violence with such evident intention of making good their threats that he very prudently desisted from his obnoxious occupation.

The dénouement followed quickly. In the same month of October, 1869, Mr. McDougall, who had been named as lieutenant-governor of the new province when it should come into existence, travelled out towards the seat of his future dignities. He was stopped on the very threshold by the double obstacle of a curt note, signed with the

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name of Louis Riel, which forbade him to enter the country on peril of his life, and of a barricade erected across the road at La Rivière Sale, and defended by armed men, who paid no attention to the order of one of his staff to "take away that blawsted fence." Moved by the cogency of these arguments, Mr. McDougall retired to Pembina on the American side of the line and sat down to await events.

His instructions from the Canadian Government were really most fair and liberal ones. It was understood that he was to remain in the settlement as a private individual until officially notified of the transfer, but he was to report upon the general feeling of the people, suggest men who would be suitable for office, assure the people that all their old customs and privileges, land-tenures, etc. should be respected. He was in fact to do all the things that should have been done months before when first the half-breeds began to hear rumours of the coming change. It was too late now. They would not let him speak. Their fears, their hatreds, their childish ignorance of the great world, all combined to bid them strike a resolute blow for their rights, a blow which long experience in triumphant insubordination encouraged them to hope might be successful. They needed a leader and found one in the famous Louis Riel. This man, whose name has already been mentioned, was a half-breed like themselves. He had all the courage and

## THE RED RIVER REBELLION

loyalty to friends characteristic of his race, all the prejudices and predilections too, the love of the prairies and the old free life, while he was raised above them by a superior education—he had been partly trained for the church—and by a mind singularly bold, resolute and resourceful. An ideal link and synthesis he was of the only two leaderships at Red River—the captain of the Plain Hunters and the priests. Unfortunately he also shared the characteristic Métis vice of vanity, which swelled to enormous proportions as he gained power, and led him into almost insane excesses. In the meantime the die had been cast, the Red River rubicon crossed, Canada had been defied.

McDougall had no intention of remaining in his humiliating position a moment longer than could be helped. He wrote a report of his misadventures to Ottawa and then, while the prime minister was despatching letter after letter (none of which ever reached him)—recommending self-restraint and circumspection, and above all no haste, reminding him that he was as yet only a private individual and that Red River still was and would be until the transfer a foreign country no more to be entered violently than (for instance) the United States, he gave himself up to a series of what the same prime minister afterwards called “inglorious intrigues,” with a view to forcing his way in. Colonel Dennis was his right-hand man in all these attempts.

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Neither he nor his chief was to blame that the explosive stuff accumulated by decades of negligence did not take fire when they supplied the match, and a red flame of bloody Indian war leap across the prairies. If blood had been spilled it is impossible to say what might have followed. Dennis made his first effort at Portage la Prairie among the bold Imperialists of the abortive "Republic of Manitoba" who had earlier proposed to throw off the yoke of the Hudson's Bay Company. He tried to raise a body of armed men who should escort the "Governor" to Fort Garry by main force. Failing in this, he busied himself among the English and Scotch settlers who, however, showed him quite plainly that they were not disposed to venture much for the sake of Canada; they would not join Riel, but they felt that they had been unfairly treated by Canada and that she might get herself out of the scrape into which she had stumbled. Filled with indignation at what he called their "cowardice," Colonel Dennis even turned to the Indian tribes, whom by some blessed miracle he failed to ignite. During the whole seven weeks of Mr. McDougall's stay his too active follower hovered about the settlement attempting to stir up trouble now in this quarter and now in that, and rousing a perpetually fresh resentment in the breasts of the French half-breeds which drove them to plunge into more and more desperate measures.

## FORT GARRY OCCUPIED

It need scarcely be said that Dr. Schultz and his friends were restlessly abetting Col. Dennis at every turn and doing their full share in strengthening the cause of the half-breeds. Mr. McDougall was flooded with letters from them urging boldness, decision, action on his part and always holding up the Hudson's Bay Company to execration as playing the part of the masked villains in the background. He was only too ready to look at the colony through their eyes and his share of the correspondence which passed between him and Governor McTavish was decidedly acrimonious in tone.

Meanwhile Riel was boldly taking one step after another. He occupied Fort Garry, seizing all the arms and provisions; later on he took possession of the Company's books and of a considerable sum of money. He had formed a council, and this council called upon the parishes to send delegates to form a convention. When this body met on November 16th it proved to be composed of French and English in almost equal numbers, the English doubtful and hesitating, the French excited and fanatical and above all united under a leader whose appetite for power had grown by feeding on some of its sweets. It is not hard to see which party must be in the ascendant. In all revolutions the ayes have it, particularly against the "yes *and* no party," however numerous these may be. There was wrangling enough. There were proposals

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to admit McDougall under a guard and treat with him, to send delegates to him, to acknowledge the Hudson's Bay Company government until they had got terms from Canada, but in the end Riel negatived them all, and on December 1st, he got his way and formed a "Provisional Government," practically all French, owning no authority but his own and his friends; thus saying to Canada, "You thought you had bought us of our old masters, like a herd of sheep or oxen, but you see you have caught lions. We are independent. But if you treat us with respect we may possibly veil our claws and come to terms with you." As for their former masters, Governor McTavish, on his deathbed, the ruling passion strong even there, bent what energy remained to him to the familiar task of varnishing rotten wood, beseeching both parties to be patient and keep the peace and put a smooth glaze on the outside of things. He was the painful incarnation, poor gentleman, as he lay there the prisoner of those wild children towards whom he had never been guilty of any worse crime than over-indulgence, of the moribund sovereignty ingloriously guttering out, and like Charles the Second taking such "an unconscionably long time to die." No more wretched fiasco on all sides could be imagined. It is edifying to hear McDougall calling loudly upon McTavish to do his duty and suppress this revolt in the company's territory which McDougall himself had left nothing undone

## A POLICY OF DRIFT

to inflame and exasperate, while the unfortunate McTavish, reaping the bitter fruits of his Company's time-honoured policy of drift, and smarting as he was under the sense of personal wrong common to all the wintering partners and particularly keen in himself, who felt himself snubbed and slighted by the authorities both in London and Ottawa, endeavoured to sweep back the raging waters with the broom of mild deprecation.

Drift was not the policy of the Canadian government of that day. No sooner had Sir John Macdonald heard of Mr. McDougall's first check at La Rivière Sale than he at once notified the Imperial authorities that Canada refused to pay over the specified £300,000 or allow the formal transfer to be made until the settlement should be restored to tranquillity. This was touching the London shareholders at the one point where they lived and they lost no time in writing to their official head in Montreal instructing him to offer all their moral aid to the Canadian ministry.

It will not be supposed that this was the first that that official head, Donald Smith, had heard or thought about the Red River difficulty, or that he lacked a definite opinion of his own about it. Far back in his Labrador days he had divined what the future must be. As long ago as 1857 he had written; "I myself am becoming convinced that before many decades are passed the world will see a great change in the country north of

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Lake Superior and in the Red River country when the Company's license expires or its charter is modified,—You will understand that I, as a Labrador man, cannot be expected to sympathise altogether with the prejudices against immigrants and railways entertained by many of the western commissioned officers. At all events, it is probable that settlement of the country from Fort William westward to the Red River, even a considerable distance beyond, will eventually take place and with damaging effect on the fur trade generally." Two or three years later he wrote; "Whatever the committee in London does or does not do, I for one see that matters at Red River are slowly but surely coming to a head.—As it is, they (the malcontents) will go on until there is a repetition of the old scenes of bloodshed and turbulence, until either Canada or the Imperial government will be forced to interfere and abrogate the charter."

Seeing clearly the inevitable development to come, and only too conscious of the faults in the Company's rule at Red River, he had a firm and shaping conviction, based on a thorough knowledge of the history of the fur-trade, as to the way in which that future would work itself out. Governor McTavish, writing to his brother in very natural soreness at the way in which he, the head of the existing government in the colony, had been ignored, made use of the expression "what are

## THE WORK OF THE NORTH-WESTERS

the Canadians to us that we should fall into their arms the moment they approach us?" Smith saw that letter and in writing to the governor thus referred to it; "With regard to what you say about the Canadians, I cannot but venture to remind you that the officers of the company, in so far as they possess a share in the fur-trade, owe their status to the independent traders and merchants of Montreal who effected the coalition in 1821, and that consequently our whole body has a historic connection with Canada!" (Observe how clearly he recognizes the achievements of the North-Westerns whose work—and Selkirk's—he is about to enter into and complete). "Altogether apart therefore from the unfortunate manner in which your status and authority has been disregarded, I for one hold that our interests should properly lie with Canada rather than with any alternative form of government."

In a general way the thought of the coming change was in the air and had been ever since the inquiry of 1857. But few men grasped what it would mean. The Hudson's Bay officers, like the wild denizens of the plains, watched its approach with fear and dislike as a catastrophe by which they were to lose everything. Schultz and Co. were preparing for an equally catastrophic transformation which was to offer them a heaven-sent opportunity of plunder in the general confusion. But Donald Smith was alone among the fur-

## LORD STRATHCONA

traders, and had only a few of the greatest Canadian statesmen to share his faith when he looked forward with sober eye and saw the prairies filled with homes and the barren rocks yielding up their treasures to the miner, the industries of civilization labouring to supply this great population with far more benefit to the world at large and also more profit to their owners than had ever lain to the credit of the fur-trade, and the whole country united under the Canadian flag, true to its beginning under those great Montrealers who had blazed the way for all future settlers. He was to do much towards the realizing of his own faith. He was to wait upon the inevitable birth of the new west with a steady hope which stamped its own impression upon the giant child. And this larger work of his really began on November 24th, 1869, when in obedience to his instructions from London he wrote a letter to the Secretary of State in which he begged "on behalf of the Company to offer assurance that their governors, factors, and officers generally would use their influence and best efforts to restore and maintain order throughout the territory." The official form covered a depth of sincere personal meaning.

He was immediately summoned by telegram to Ottawa to discuss the situation with the premier and in the interview which followed "took high ground," according to the latter, and "declared himself a staunch Canadian," avowing his opinion

## COMMISSIONER TO RED RIVER

that the Company had the largest interest in seeing the troubles composed and the transfer made. "It would be a great advantage to us," said Sir John, "if you would preach this view to your fellow-officers at Fort Garry. Why don't you go?" No hesitation about that. Within forty-eight hours Donald A. Smith was appointed Canadian Commissioner to Red River, and on December 13th he set out on his long journey. With thirty years training in holding his tongue he let no one suspect his errand. He was supposed merely to be going out to protect the interests of his Company. With him travelled Dr. Charles Tupper, ostensibly bent on seeing that no harm came to his daughter, whose husband, Captain Cameron, was on McDougall's staff, but really intending if possible to put a spoke in the political wheel. No one guessed that the real power lay with this modest pair; not with the two duly accredited commissioners, Colonel de Salaberry and Vicar-General Thibault, who had set out with some flourish of trumpets a few days before, and whose influence on the direction of events throughout was to be precisely nothing at all.

It was on December 27th that Donald Smith presented himself at the gate of Fort Garry and asked for admittance. In the bitter cold of a Manitoba December he had made the journey from St. Paul by stage and canvas-covered sled, by dog-cariole and even partly on foot, camping

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at night in the snow, a journey which must have been luxurious in comparison with some he had made in Labrador. Now he accosted the armed men who lounged about the open gate of the Fort and asked to be shown to Governor McTavish. By way of reply he was taken by Mr. Louis Riel's good leave across a courtyard, once trim and cheerful under Hudson's Bay auspices but now dingy and untidy and squalid, led through one room after another occupied by armed and odorous half-breeds, and at last ushered into a chamber where sat ten or a dozen men whom Riel mentioned as members of his Provisional Government. They asked him his business. He replied that he was connected with the Hudson's Bay Company, but also held a commission from the Canadian Government to the people of Red River and would be prepared to produce his credentials as soon as the people were ready to receive him. They demanded that he should take an oath not to attempt to upset their government, legally established. This he refused to do, but promised to take no immediate steps towards that end, whether the government were legal or illegal, without first giving them warning. Apparently satisfied with this, they gave him rooms in the Fort. For more than two months he remained a prisoner there.

He was not the only prisoner. Things had advanced a stage since we left Mr. McDougall

## McDOUGALL'S PROCLAMATION

sitting on his addled eggs at Pembina waiting for something to turn up. Growing tired of this somewhat disheartening pursuit, forgetting that he was to do nothing until officially notified of the transfer, and yielding to the constant pressure of Schultz and his party, he took the "action" they were demanding. He issued a proclamation on December 1st announcing that the territory had been transferred to Canada and proclaiming himself lieutenant-governor. It was a fatal move, for the transfer had not taken place, and though the proclamation had the momentary effect of checking the warlike ardour of the half-breeds and leading them hastily to draw up a List of Rights for peaceable presentation to the Canadian Government, the revulsion of feeling was very great when they discovered that they had been deceived. For the time even the English and Scotch leaned towards the insurgent party and Riel was immensely strengthened. A week later he seized an opportunity offered him by Dr. Schultz and his friends, who had shut themselves up in a single house with the valiant and characteristic intention of defending some government pork, and thus at a single stroke forced a large section of the Canadian party to unconditional surrender. They were imprisoned in the Fort. Another day or two and he in his turn issued a proclamation, in which with much talk about despotism and slavery and the ambitious aggression of a foreign power

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(Canada) he announced his unalterable determination to resist any attempt on the part of those insolent aliens to take possession. Ten days after this Mr. McDougall quitted the post he had made untenable, departing for Canada just in time to miss a letter of rebuke from the Secretary of State.

Thus the situation that confronted Donald Smith was a very delicate and difficult one, small as was the stage on which the piece was set. This little colony of 13,000 souls faithfully reproduced *in parvo* all the passions and factions that rend dying states, and it may well be believed that that eminently prudent and sagacious though silent man had not approached it without carefully reviewing in his own mind what was to meet him there and deciding what his own course would be. That course would be like himself, slow, inarticulate, not brilliant—but with a rock-like steadfastness which in the end would accomplish results. The object of course was to ensure the peaceful transfer, and this for two reasons beside the obvious humanitarian one. In the first place, if appeal had to be made to the sword, Canada would be fighting at a great disadvantage. Transport for men and supplies would be difficult, and a campaign against such a scattered force of nimble sharpshooters would be the most unsatisfactory thing in the world, to say nothing of the great likelihood of attacks in the rear from Fenian sympathizers in the United States. In conversation

## DESPOTIC ACTS OF RIEL

with P  re Richot, Dr. Tupper learned that the insurgents considered their position impregnable because they could always retreat to the prairie and defy pursuit, and if the worst came to the worst the United States would always take them in as a state of the Union. And although Tupper succeeded in shaking the confidence of the rebel ecclesiastic in the latter article of faith, there was enough truth in the former to make every Canadian statesman uncomfortable. In the second place, bloodshed, even if successful, would implant in the breasts of these rude children of the prairie a hatred of Canada which generations might fail to eradicate. Peace, however, as Donald Smith saw could only be attained by winning over some at least of the French part of the population. The breach that had so long existed between French and English was opening again as the latter were estranged by the prolonged confinement of the prisoners and by the many despotic acts committed by Riel, who had grown intoxicated by his own success and held the life of every man in the community in his hand. It would have been easy to win over the English, but to appeal to them alone would have been to lessen the chances of peace by blowing the smouldering fire of racial strife. He must get the French on his side and to do this he must in some way get a direct hold of the people themselves instead of through their leaders.

Seeing this, he prepared for it in two ways. He

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had left all the papers pertaining to his commission at Pembina, determined that Riel should not have the opportunity to secrete them and discredit him before the people, and he had brought with him his brother-in-law Mr. Hardisty, himself a westerner with Indian blood in his veins, who would be a perfect medium of communication with his half-breed brothers and whom even the "little Napoleon" would scarcely dare to molest. For nearly three weeks Smith lived quietly in the Fort, ostensibly busied about the dislocated business of the Company, while Hardisty went in and out among the Métis flattering, cajoling, explaining, and even bribing. Such tactics had their effect. Some of the more intelligent came to visit Smith in the Fort, where the impression made on them was deepened, until Riel began to realize that the allegiance of some of his followers was wavering. It was time to put an end to this. On January 15th Riel demanded to see Smith's commission. He would have liked to send a messenger of his own with a written order for the documents, but as Smith positively refused to give this it was agreed that Hardisty should go for them. On his way back Hardisty was stopped by Riel and some of his followers with the intention of relieving him of his trust. He owed his safe escape to a party of his converts, "well affected French," who came to his help and escorted messenger and papers to the Fort in spite of Riel's fury.

## A GREAT CONCILIATOR

This was a long step taken. Once the commission had been produced in this public way Smith's business could not be smothered. Every man in the colony would know that night that they had among them a duly accredited representative of the Canadian government and of the Queen of England, with a message for them. It was impossible for Riel to refuse Smith's demand, made in the presence of his friends, that all the people should be brought together to hear these papers read. The following day was fixed for the gathering and there in the open courtyard of the Fort, for no building was large enough to contain them, more than a thousand men stood in the bitter cold of twenty below zero while icicles hung on their beards listening to things they should have heard long before. Riel and his confidential counsellors interrupted and blustered, even threatening personal violence, but with that immovable pertinacity which was especially his own Smith stuck to his task and in the end succeeded in reading bit by bit a letter from the governor-general desiring all who had grievances to address themselves to him, and promising the utmost justice and protection to all claims, religious, proprietary and political, a telegram from the Queen in the same tenor, the papers of Vicar-General Thibault and Colonel de Salaberry, which Riel had suppressed, and various other documents of a conciliatory nature, including McDougall's original instructions, which prov-

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ed that nothing less than justice had ever been intended. The English as a body and some of the French professed themselves willing to accept these messages at once and act upon them, but others objected and it was at last settled, not without some excitement, that twenty delegates of each nationality should be chosen and should meet together to decide what was to be done about Mr. Smith's commission.

There ensued a pause while these deputies were being selected with all the underground manipulation inevitable under the circumstances. Smith was kept a close prisoner in the Fort lest he should influence the elections, and Riel, putting forth all his strength, succeeded in excluding most but not all of the French who had recently revolted from him. This new convention began its sittings on January 25th. The first part at least of Donald Smith's programme had been accomplished. English and French had been brought to sit together. It still remained to be seen whether they could work in harmony.

Smith was called to their convention on the third day, when Riel asked for his opinion on the List of Rights which had been prepared in December. He refused to consider that document, which had been drawn up by one party alone, but assured them that anything emanating from the present united gathering would command his consideration. Acting upon this suggestion, the Convention

## RIEL'S DEMANDS

drew up a new List of Rights not at all unreasonable in tone, which was laid before him about a week afterwards. Some months later they sent a third paper to Ottawa by which it appeared that their estimate of their own claims had gone up considerably, and particularly that they had been seized by the happy thought of asking the Dominion Government to reimburse them for the expenses of the rebellion, but the present one was sufficiently moderate. An attempt of Riel's to add the crucial clause,—“That all bargains with the Hudson's Bay Company for the transfer of this territory be considered null and void; and that any arrangements with reference to the transfer of this country shall be carried on only with the people of this country”—had been defeated, in spite of his rage. Smith was given two hours, during which his meditations were constantly distracted by rudeness and insult, to formulate his answers to their demands, and was then called to the convention to read them. They were just what might have been expected, prudent, cautious, conciliatory, careful not to compromise the Canadian Government by making too definite undertakings, but reiterating its good faith and benevolent intentions. He ended by inviting them to choose delegates who would go to Ottawa and discuss the whole matter of terms with the ministers themselves. Soothed and flattered by the grave courtliness and sweet reasonableness of his manner

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they accepted the proposal, and forthwith chose their representatives. A further step in the programme had been worked out.

Smarting under his defeat of a few days before Riel now seized the opportunity to press for a real provisional executive. The existing one was simply his own party. He had an ambition now to be at the head of the whole people, and urged that a joint English and French administration should be formed, pointing out adroitly that it was simply a device for taking up the reins which had fallen from the Hudson's Bay Company's nerveless hands and maintaining order in the country until the transfer should take place. Placated by this view, which unfortunately Riel only held when it was to his advantage to do so, and attracted by the prospect of any sort of stable government to replace the dictatorship of "the little Napòleon," the English, though with some hesitation, acceded to his suggestion, all the more that he promised to release the prisoners when the government should be formed. It was settled that there was to be a council of twenty-four, twelve of each race. The convention broke up with great rejoicings, to the accompaniment of fireworks which Dr. Schultz had prematurely imported to signalize the entrance of Mr. McDougall and which were thus set blazing in honour of the apparent downfall of all the hopes of their crestfallen owner, who had escaped from his

## A RASH ACT

prison only a few days before and was skulking in hiding about the country, and gnashing his teeth in outer darkness, probably within sight of the spectacle.

It began to look as if the tangled skein would be straightened out by this careful hand without cutting any of the thread. But it was not to come so easily. The most obstinate snarl of all was just on the point of gathering.

Unfortunately Riel did not keep his promise of releasing the prisoners at once. He did let them go a few at a time and probably would soon have emptied the rooms where they had been confined. But suspicion and resentment rose again among the English as day after day went by and still some were detained, until at last by one rash act they raised a storm which enormously complicated the difficulties and dangers of the already precarious situation. On the nights of February 14th and 15th a band of Portage la Prairie men came down near Fort Garry with some mad notion of taking Riel prisoner or doing some equally doughty deed to help their incarcerated friends. Ill-armed and worse supplied, their attempt was hopeless. The shoe was soon on the other foot. Riel captured forty-seven of them, immuring them within the fort. The belt had snapped. Once again the strained wheel whirled back. French and English stood at daggers drawn.

Smith did all that a man could do to mend

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matters in this disastrous ruin of his hopes. He laboured successfully to avert Riel's intention of shooting the Portage la Prairie leader, buying his life by a promise to persuade the now reluctant English parishes to elect their members of the council. But he was powerless to prevent the next ruinous plunge of the half-breed's sullen fury. In the afternoon of March 4th Thomas Scott, one of the prisoners, was shot dead like a dog, kneeling in the snow of the courtyard at Fort Garry with a handkerchief tied round his eyes, by a volley from the muskets of Riel's assassins. To the last half hour of his life—he was but a boy—the victim could not believe himself in serious danger and could scarcely be prevailed upon by Mr. Young, the Methodist minister, to gather his thoughts in the solemn last surrender of his spirit. He died in Schultz's place and suffered for his sins. He had not been suffered to say one word in his own defence. Père Lestanc, the bosom friend of the President, could have saved his life by raising his hand. So could Père Richot, or Father O'Donoghue the Fenian priest, the secretary of the council, one of his judges. No effort of Smith's, who agonized to save him, or of many others could move the madman who craved his blood. It was the heaviest blow which their infatuate leader had ever struck against his unhappy countrymen. No deed so foul or irremediable had been done in the north-west since the massacre

## THE MANITOBA ACT

at Seven Oaks. And unlike that it had been done in cold blood. That red stain in the snow exhaled a black cloud that hung like a pall between them and the rest of Canada, obscuring their grievances, obliterating their claims and darkening the path of those who wished to do them justice.

The immediate effect was to bring Donald's Smith's mission to a sudden end. He could no longer treat with a man whose hands were stained with blood of a Canadian citizen, and, waiting only for a safe conduct, on March 18th he turned his back on Fort Garry.

But after all his work had been done. However the fact might be forgotten in the disappointment and indignation and apprehension of the moment, it remained true that a foundation had been laid for a firm and lasting settlement. The seeds of the truth which he had sowed in those ignorant minds went on germinating in his absence. The representatives whom he had induced them to choose did come to Ottawa, and, in spite of all the outcry against them and the vexatious stupidity which had them arrested in Ottawa as personally responsible for the murder of Scott, reached a basis of understanding with the government of Canada and travelled back to Red River to prepare their compatriots for the Manitoba Act, which early in May Sir John Macdonald carried through the House in the teeth of bitter Orange opposition. And though when at

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length in June the government thought it safe to allow the transfer to take place they obeyed the dictates of ordinary prudence by despatching an armed force to see that there should be no slip this time, yet no blood was shed. Smith was with Colonel Wolseley and his men when after struggling with wild rivers and unspeakable roads, through bottomless mud and muskeg, they reached Fort Garry on August 23rd, where to his great joy, though to the natural disappointment of the soldiers, they found there was to be no fight after all. The gates were open. They entered unopposed. Riel had fled and Red River had become part of Canada. One life and something like a million dollars had been the cost, unless we reckon in such impalpable quantities as the unedifying deathbed scene of the Hudson's Bay Company's kingship, the poor appearance made by the Canadian government in its first entrance upon that scene, and the serious compromising of the misguided half-breeds. It was a small price to pay considering what a long score had been run up. The sad thing was that scarcely a penny of it came out of the skins or pockets of those who were really responsible. Schultz added another to his many triumphs, and actually ended by representing the Majesty of England as Lieutenant-Governor of the Province which he had done more than any single man to disturb and detach from the Empire.

## CHAPTER IX

### THE MEMBER FOR THE HUDSON'S BAY COMPANY

ON one memorable occasion poor frustrated McDougall added to his public services by a really happy hit in malicious nomenclature. He struck out by a felicitous inspiration of his own, or judicially adopted from the nick-naming ingenuity of others, a very suggestive title for one considerable aspect of our hero's activities—the function namely which the latter discharged for a good many storm-tossed years as a member of the Dominion parliament. In the course of a certain debate McDougall rose to interrupt the flow of Donald A's eloquence with the following monumental words;—"I object to this irregular proceeding. The people of this country will soon come to regard the Honourable Member for Selkirk as *representative of the Hudson's Bay Company sent to this House to rehabilitate them before the Dominion.*" The name hit the nail on the head—*Donald A. Smith, member for the Hudson's Bay Company and Advocatus Diaboli.*

He had seven continuous years of it as member for Selkirk, from 1871 to 1878. At the same time he sat in the newly constituted Legislative Assembly of Manitoba doing good work there.

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These, and the ones that followed down to 1896 with the herculean labours of the Canadian Pacific Railway in them, were Smith's eventful years, his burning noon-day after the long grey misty morning. A change indeed from the even tenor of sequestered obscurity at the back of the north wind among the Arctic fogs, or even in the Hudson's Bay Company's warehouses and sombre head-office in Montreal! The life which had flowed so smooth and still in dark places through apparently almost stagnant reaches till the memorable day when it touched the troubled streams of the Red River began from that moment to leap and boil in full daylight before all men's friendly or unfriendly eyes. It had to pass through its tormented stage of rocks and rapids, whirling eddies and dizzy cataracts, a very Pyriphlegethon, before it found refuge, like Arethusa persecuted by Alpheus ducking under the ocean, in the broad-bosomed unruffled lake of the Canadian High Commissioner's dignified routine and the spacious gilded peace of our British Valhalla, the House of Lords.

A rapid glance will indicate how much was doing in these tempestuous times. The troublesome question of the Riel Amnesty, the bargain with British Columbia, both of them long-drawn out drearinesses emerging first in 1871; the Pacific scandal in 1873 following close upon the muddy heels of the notorious '72 election, in which both sides surpassed themselves and each other in the heroic

## MACDONALD'S RETURN TO POWER

surgery they practised upon the brains and consciences of the Canadian voter, the operations in the constituency of Selkirk not being conspicuously distinguished for the scrupulous avoidance of septic matter; the storms of 1873 to which Donald A., like one of Macbeth's witches, contributed his own private wind, which nevertheless he rode victoriously, being returned in the brand-new rôle of "Independent"—more or less in the train of Alexander Mackenzie; the desperate gropings and fumbings of that short-lived government with the disaffections of British Columbia, the clamours of Manitoba, and the problems of transcontinental communication, its ruinous overthrow in the *annus mirabilis* of 1878 and the triumphant return of Sir John Macdonald to a life-long lease of power on the high wave, raised by his breezy picnics, of his famous National Policy, Sir John, whose first use of his omnipotence was to hurl down from his western citadel the "snake in the grass" who had interrupted it, and relegate him to outer darkness for almost nine years, by seeking a verdict of the Supreme Court which reversed the decision of an inferior tribunal upon a contested election, and by unsparingly concentrating all possible means to overwhelm the object of his loathing in the isolation of the resulting bye-election—the mere mention of these passionate conflicts reminds us vividly that the member for Selkirk had something more to think

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of than the constituency of his nick-name, something more to stand up for than the Hudson's Bay Company. He did incidentally stand up also among other things in these fierce days and anxious nights for the outraged moral sense of the Canadian people, who showed themselves still capable in extreme cases of that sort of reaction. Hence the not very heavenly anger against him of such celestial minds as Macdonald's and Tupper's. Hence, too, Smith's long holiday from Canadian politics from 1878 onwards, until, after the triumphant completion of the C.P.R., with which he had filled up the interval, he emerged from his inter-lunar cave a belted knight to shine among the stars at Ottawa as the unchallenged choice of Montreal West—still an "Independent" and eccentric luminary but revolving well within the general orbit of the National Policy, shedding a helpful light in particular upon the earthly business of the Jesuits' estates and in that and other ways gradually returning more and more within the more benignant solar aspects and influences of Sir John. His seat in Montreal he retained without the slightest difficulty or opposition, till in 1896 he was translated from the rough and tumble of our Canadian politics to the somewhat dingy but peaceful splendour of the High Commissioner's Office in Victoria St., Westminster, and soon after to the Olympian quietude of the House of Lords. But the very last thing he did before leaving for

## DUKE OF THE PRAIRIES

England and shaking off for ever the last speck of the clinging prairie-mud was to visit his old haunts once more and pour oil on the troubled waters there. The Manitoba school-question was on that occasion smoothed out to some small extent by a farewell pat from that large and dexterous hand. He still represented the N.W. and with it the Hudson's Bay Company. Whatever other titles he might acquire elsewhere, in Glencoe or on the banks of the Dee or Spey, he never ceased to be the Duke of the Prairies and leader in Labrador, the Sagamore of the Saskatchewan. He was to his dying day the heaven-born and earth-grown representative of that north-west with whose welfare the true interests of the Hudson's Bay Company had at last, happily for them and largely by his guidance, become quite undistinguishably identified. It was not his way to drop anything he ever once took up. And so he remained what McDougall called him, the member for the Hudson Bay Company, their apologist, himself their best and not superfluous apology.

The aptitude of the man for the new job assigned to him by the election of 1871 was really conspicuous. Smith had a natural talent for representation. He was almost an ideal spokesman for any considerable aggregation of his fellow mortals. Himself a thoroughly average man, only built on a scale considerably larger and burning with a much keener and steadier fire of life than

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the average, he had the inestimable power so often denied to far more showy talents and far finer qualities of mind of hearing what other ordinary people had to say. He was a good listener. He was not the sort of sage that cries in the streets while no man regards his sapient utterances. He was not too much above the common level to be reached by others or to reach them. Nobody was ever less like Edmund Burke or St. Symeon of the Pillar or any other prophet of a truth too high for the mind of the vulgar throng, preaching from a perch so elevated that the lisplings of their folly could not rise to it nor the words of his own wisdom descend. Never in all his life did he have anything to say which the man in the street could not quite completely take in. He had to perfection the representative's first requisite, the very same range of thought, belief, desire and feeling as the common clay of humanity which he had ambition enough to wish to represent—and could represent effectively because while he shared their other limits he did not share their confusions, their listlessness, their cowardice, or their incapacity to give some sort of tolerably coherent expression to the opinions, hopes and fears that stirred obscurely in the muddle of their minds. And being thus unusually endowed by nature to interpret at least the more obvious of the ordinary political aspirations of his fellows, so his experience and training had fitted him above all others to speak

## THE MEMBER FOR SELKIRK

the word for that particular constituency. His connections with the country and with the life of all classes of its inhabitants were of the closest. He knew the Indians from long dealings with them as no one else did. His own wife, like many other very well-born people in those days, was a half-breed and in some ways a very well-marked specimen of the kind. One of her brothers had been famous in the plain-hunts. And there was nothing in the life of the lonely forts which was not an open book to Donald. He was the complete north-west "Bourgeois." The dog-sleigh, the portage, the outfitting of brigades, the counter, the ledger, the annual stock-taking and the packing whether in bales or car were things familiar to him as his five fingers. Trained as few ever were in that particular school of doing and suffering, he had learnt if not to pity at least thoroughly to understand the men whose money he had long been trusted to manage, and who now, with no dissenting voices to speak of, were delighted to hail him as their parliamentary standard-bearer. The member for Selkirk was the member for the whole north-west; above all for the officers of the Hudson's Bay Company, who were then, and were likely for some considerable time to remain, the brains of the north-west.

They needed a representative and deserved to have one. They were badly in want of mediation before the Dominion which knew scarcely any-

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thing about them and entertained the wildest notions about their country, their habits, their profits and their power and the manner in which they had exercised it. The part they had taken or failed to take in the late troubles was liable to grotesque misapprehensions and did not fail to encounter them. The ill-starred McDougall had no sweet memories of them or of those parts. Schultz, the inveterate enemy of the company, who had done so well all along by their weaknesses, was now in Ottawa as member for Lisgar helping to make the laws he had consistently trampled on at Red River, with rancour undiminished and an eye to the main chance as keen as ever, Orange Ontario still breathed fire and slaughter over the murder of poor Scott. French Canada sputtered and gesticulated and chopped logic on the other side. To this day the French-Canadian view of Riel is that he was a constitutionally appointed magistrate martyred by the brutal English for exercising with a somewhat Roman austerity, but with perfect right, his legitimate executive functions in spilling Scott's blood upon the snow. Ontario had showed her delicate sensitiveness to the Provincial rights of other Provinces and the decencies of law, and gone near to explaining if not justifying the childish unreason of her fellow-bigots in Quebec by setting a price of \$5,000 on the heads of Riel and Lepine. The luckless Hudson's Bay Company was not in good odour

## A PREDESTINED MEDIATOR

with either of those extremes of blind passion and factiousness. Even the mass of cool Canadian business men had a strong though vague suspicion that the late sovereignty had not exemplified the best traditions of Anglo-Saxon administration, or guided its flock into any reasonably green pastures by any tolerably still waters. The times were badly out of joint, the wheels out of gear, creaking and complaining horribly. The inflamed passions, and the thick clouds of smoke which issued from them as from a hot-box, needed lubricants as well as light, needed besides whole pailfuls of cold common sense to allay and quench them and heal the cursed spite.

Donald A. Smith was the very man, born and bred and reared, to set all that right. He had stores of all the needed qualities, innate and acquired, and in particular was rich in all the plausibilities, moderations, reticences, and other gifts and furnishings of the naturally predestined mediator. There was not a more useful man in Ottawa, none who could or did do so much to smooth the transition over that very rough and rocky bit of political ground. He had the knowledge, and he had it in his bones, not merely in his sensorium. If anyone could explain the west to the east, and bring about some working approximation to mutual understanding, he was the man. He knew what could and must be made of the new country. The keen spur of private interest, too, was there

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to reinforce, what it did little on the whole to deflect, the strong sense of public duty in a man who was neither fool nor knave. Nobody had any stake in the country, either of reputation or of fortune, comparable to his. It soon became evident in Ottawa that this parliamentary greenhorn had more of a hold upon the north-west, the crux of the problem as it then challenged the utmost wisdom and resources of Canada, than the prime minister himself. Sir John, in particular, speedily took his measure, quick as usual to see and pathetically eager to recognize the thing he craved so intensely and so seldom had the luck to find, any real ability to help him in his Atlantean task not only of holding up but of first constructing the pillars of Empire.

At first Sir John thought him rather a dumpy person, though of manifest ability. Soon, however, as things got warm under the chafing of that valuable irritant Schultz, he discovered to his joy that his friend the Honourable Member for Selkirk was not mere unreacting cold mutton with a blue ribbon round his neck. He could at least butt on occasion. There was flint in him, capable of sparks if well struck—"that amount of venom when attacked" said this astute observer, "which a good statesman ought to have," beside the almost undue amount of "coolness, resource, and plausibility."

Above all, he had the facts at his finger-ends

## WISE IN COUNCIL

all ready, orderly arranged, and clear. Good enough at the war-shout he was, still more excellent in the more excellent way of council. Well did he know, with the most realizing sense of this cardinal fact, that the very first need in those priceless wilds was that absolutely firm and steady handling of the reins of justice with the correspondingly rare but terrifically resounding crack of the whip, which had been for such a weary while so disastrously and ludicrously to seek up there. Two things have made our north-west shine where our rich neighbours have made but a sorry show; the mounted policeman and the missionary. Smith was a good friend to the missionary, and was quite aware of his value for the world that now is, whatever he might think, and he probably had few real thoughts of his own on such subjects, about that which is to come. He was just as much alive, too, as the most fervent exhorter could be, to the fact that rum was the Indian Moloch as well as the Indian Belial. Though far from being a bigoted teetotaller, he was always the most rhadamanthine of prohibitionists in refusing the red man anything more exciting than tea. Whatever might be the cut of their ecclesiastical vestments, the aims and endeavours of the evangelists, pastors, and bishops of the west, like all other traditionally consecrated institutions and efforts directed to minister to the plain and obvious necessities of mankind,

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never failed to find from him warm sympathy and generous support, so long at least as they did not shock his common sense. But he had learnt from bitter experience as well as from the history of the fur-trade, which he knew probably better than any one else then living, that the other of the two pillars of our civilization in that quarter was if possible even more indispensable than the missionary himself. The name of Sir Robert Peel is in both its parts immortalized in those "Bobbies" and "Peelers" whom many men regard as the most indubitable triumph of the social and political genius of the English people. In like manner the name of Donald A. Smith has a good right to be associated with the North-West Mounted Police, who are, as it seems to me, distinctly the best thing in the way of public service which we have as yet turned out for ourselves in Canada. Except their English rivals for the palm—not soldiers as they are, and working in an environment which is at the very opposite pole from theirs, but with such a complete identity of method and spirit as seems to demonstrate a point of essential superiority in the race—there is nothing like them in this world. One thing at least of real value in the art of government may still be learnt by the foreigner,—grown somewhat contemptuous of late,—from poor old England, and that is the apparently engrained capacity of her breed to keep their heads and their respect for God's image in

## THE NORTH-WEST MOUNTED POLICE

the face of man, even in the vigorous and resolute exercise of punitive righteousness, to limit the disturbances in which a quite legitimate authority is liable in times of stress and haste to overflow its banks and degenerate into foul brutality. Our North-West Mounted Police are a signal proof. Guardians of order and sleuth-hounds of the law, untiring and ineluctable as death, they have often proved themselves in many astonishing cases which made almost incredible demands upon keen scent, the power of patiently piecing together the most evanescent clues of evidence, with tenacity and courage that shrank from nothing. But that side of them has almost entirely fallen out of sight by comparison with their normal and familiar aspect as the brave and indefatigable protectors of the helpless in those vast frozen solitudes where so often there was no eye but theirs to pity and no hand to help. Where the ghastly official incompetence which prevails under our easy-tempered unbuttoned democracy has squandered millions these men have saved us millions.

Donald A. Smith had a great deal to do with laying this broad stone of honour and foundation stone of peace and prosperity. The first suggestion was his. In his report to the government on the Riel troubles, handed in on April 13th, 1870, he respectfully submitted some very cogent and obvious reasons for establishing a considerable permanent military force in the new territories.

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He was a member of the council for the Indian country which organized that splendid troop of truly platonic "guardians," who have so completely realized the philosopher's ideal and showed themselves at once the gallants and the bloodhounds of the north-west. So were his brother-factors of the Hudson's Bay Company, the only persons available or of any use for the purpose. His credit was not more for what he did himself than for what he inspired or gently bullied others into doing.

The west needed immigrants above everything. The problem was to bring them in. For want of the means of going where they were most needed at home, thousands of them were losing their birthright and accepting a different type of civilization by flocking into the American west. The member for the Hudson's Bay Company was well aware of that. It kept him awake at nights. He had long seen clearly that the one thing needful for the Hudson's Bay Company as well as for Selkirk and Manitoba was just that inevitable influx of settlers that they had long regarded as their day of wrath which it was a matter of life or death for them to postpone. He left no stone unturned to hasten it as their only possible way of coming by their kingdom. The change from the old order roused no regrets in him. He would just as soon see the company provide Parisian hats, the milliners to make them, and even the advertise-

## THE SIGN OF THE PLOUGH

ments to puff them, for the wives of prosperous farmers on the prairies as sell the latest novelties in beads and the *dernier cri* in duffle blankets to Cree and Blackfoot bucks and squaws. His eye was not fine enough to discern any superior lustre in the colour of the latter kind of money. The champion of that fine old crusted antiquity, the fur-trapper and trader, was also the herald and indeed the energetic charioteer of the new day for Red River under the sign of the plough. His unique significance in our history lies precisely in the achievement of that difficult synthesis. At an age when most men would have been mere grave-diggers and lugubrious chief-mourners of the past, he girded up his loins like a fresh forward-looking youngster to his share in the perilous and thankless task of lightening the birthpangs of the future. His inborn conservatism showed, not in kicking against the pricks, or in opposing the inrush of the Atlantic with a broom for the benefit of his moribund vested interest, but rather in such an infusion of new blood into it and such a readjustment of its methods and machinery as would enable it to profit by the flowing tide of change which it could not possibly prevent. As the dividends and good name of the Hudson's Bay Company could only, according to his conception, be secured in the strictest subordination to the prosperity of the north-west in general, and as its interests were identical with those larger interests, the member

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for the Hudson's Bay Company found it possible, while by no means neglecting his own private concerns, at the same time to be the best representative available not only of Selkirk but of that whole great country and of the interests of Canada and the Empire there.

It was essentially, as we have said, a work of mediation. But the way of the mediator is no primrose path. It is often harder for a time at least than the "way of the transgressor." He pleases neither side. The Scotch proverb says that the most deadly strike of all is the "redder's straik," the one which falls upon well-meant intervention. The member for the Hudson's Bay Company in his part as apologist for the guilt of the scape-goat McTavish, and even for his own valuable services, in the Riel fiasco, had ample experience of this truth. At a very early stage in his parliamentary career he had introduced to the House a neighbour of his, the member for Provencher, a certain Delorme. This person had been a friend of Riel, had taken part in both the meetings, the "Convention" and the "House of Assembly of Red River," in which Donald Smith as Canadian Commissioner had tried to get some expression of the sense of the people there and a belated opportunity to show that the Ottawa authorities meant them no harm. Delorme, however, had not been a member of the "Provisional Government," still less of the infamous court-martial. Yet appear-

## THE SPONSOR OF DELORME

ances were badly against him when one of the members, asserting that he had been all that, denied the right of a rebel to a place among Her Majesty's counsellors. His sponsor, an eye witness of these scenes, had just sat down after presenting a certificate of character in his favour when another formidable witness, no less than the sun himself, was summoned in evidence against the trembling Frenchman. McDougall, burning to discredit Smith and all his crew, jumped up in his place, brandishing a photograph, in which the infallibly recording light showed Delorme as one of a group along with Riel, Lepine, O'Donoghue and the rest. Fortunately however the damning testimony proved too much. Several other faces well known to have had no cause to blush for any share in those dark doings had been included by the impartial artist along with the lineaments of the member for Provencher. McDougall, who had a talent that way, had discovered another mare's nest.

For all his good-will to hurt, however, McDougall was not rich enough in impudence to make much trouble. The assailant that never let go was Schultz. He buzzed like a blue-bottle about the remains of the poor old Company, whose disintegration had engendered him. Treacherous complicity on the part of the Hudson's Bay Company with the rebellion was the everlasting burden of his bullying hum. They had done nothing to help McDougall or to put Riel down. They had on the

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contrary left nothing undone to flout and embarrass the duly designated governor, or to aid and abet the rebel in his lawlessness, and after his fall to speed his escape from justice. The chief factor, who had also been Canadian Commissioner to Red River, had been worthy of his master's traditions and worse than useless to Canada. He had made a memorable display of treachery, incompetence and cowardice, recognized the provisional government and virtually sanctioned all its doings, and when the game was up had lavished counsel and coin to hush things up and build a golden bridge for the evasion of the criminals, who could not be brought before the law-courts without fatally compromising his Company and himself. The only evidence for the absurd charge that Smith had shown any approbation whatever of the so-called government, which he had ceaselessly laboured to undermine, was drawn from the only one of the rebels who was in addition a notorious liar, O'Donoghue. That perfect gaol-bird had been got to issue a wild statement in such a sense which was eagerly exploited by some Ontario newspapers. Smith's explicit denial of it on the floor of the House was of course accepted by all decent people as much more than sufficient to dispose of such an authority. Not so by his virulent assailant, an adept in the art of getting some of any kind of mud to stick. Schultz, whose own fixed principle it was never to lose a point if

## ATTACKED BY SCHULTZ

words could hack a way through to it, had the impudence to declare the question still unsettled. "He could not take it upon him to decide which of these two was more likely to be telling the truth—." One thing was certain. Neither of them could possibly be more frugal in the expenditure of that precious luxury than the modest Daniel who refused to judge between them.

The worst of it for Donald Smith was that certain aspects of the very complex and delicate situation he had had to deal with at Red River gave some colour to a hostile interpretation, while the racial and religious passions aroused in Ontario and Quebec made sure of an eager acceptance for every ingenious twist of the facts to his disadvantage. The Hudson's Bay Company had long accustomed the half-breeds to that impunity in the contempt of rule which was one great cause of the rebellion, while another was the well-grounded dread of designs upon their vineyard by Schultz and the other Orange Ahabbs in their midst. Smith, like a specialist summoned from the capital to the remotest rustic solitudes at the last moment to treat a desperate case, had just come in at the death. It was only natural that one of the quacks with a strong reversionary interest, who had worked with glee to ensure death, should have tried to shift the blame upon the physician who could only partially alleviate and could not possibly cure. Smith's commission had

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been to cut the ground under the feet of his demented gaoler, who could shoot him at any moment and had the best will in the world to do so. His only weapon against that sulky tyrant was discretion. Naturally then he had no choice but to show so much of that very questionable-looking better part of valour and to go so slow that it was quite plausible to say the reason lay in the coldness of his feet.

It was quite true too that after Riel had fled Smith did not thirst for his blood with as much passion as Schultz and Company. He knew better than the good people of Ontario that the unfortunate man and his race had been more sinned against than sinning, and that for other reasons than those alleged by the traducer of the Hudson's Bay Company, it ill became an officer of that corporation to pursue him with unrelenting vengeance. Above all he was more concerned about the peace of the community than about the untimely exaction of an eye for an eye and a tooth for a tooth. While acting as civil authority in the interval before the arrival of the first Canadian Governor of Manitoba, Mr. Archibald, he had been besieged by a crowd of zealous Protestants clamouring to be enrolled as special constables with a commission from him to shoot Riel at sight. He had of course refused to arrogate to himself the right of issuing a licence to commit murder, and the great majority of the House had

## SPEEDING THE PARTING GUESTS

no difficulty in seeing the wisdom of his conduct in that matter.

It was, however, a little less easy to explain the zeal he had seemed to share with Archbishop Taché, in speeding the parting guests, Riel and Lepine, on their way to quarters less hot than they had made in the new Province for themselves and the Canadian Government. These men had soon come back after their flight, and were still very much in evidence upon the scene of their recent exploits. Riel was actually twice returned to the Dominion parliament by the loyal electors of Provencher! The kindly old Archbishop, whose absence in Rome and the presence of whose ecclesiastical subordinates, Fathers Richot and Lestanc, had been so helpful to the rebels in the establishment of their power, had come home just in time to help once more in securing indemnity for the somewhat energetic use they had made of it. He had proclaimed in the name of the Ottawa Government, who always declared, in Ontario at least, that he had interpreted their meaning much too liberally, a complete amnesty to all who had taken part in the recent troubles, including even the stern judges of Scott. The Church had exercised her old prerogative of scantuary and wrapped the ample folds of her robe around her erring children. That was much with Quebec behind. But the position of the offenders was soon further strengthened at little cost to themselves, by their adroitly

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patriotic use of an opportunity which they certainly owed, in great part at least, to their own previous exertions in a very different direction. In 1871 their late associate O'Donoghue, carrying out, as he declared, the scheme which had always been agreed upon between them, appeared upon the border at the head of a characteristically futile Fenian invasion. Just at the last moment Riel and Lepine, obviously not without the approval of their astute spiritual guides, came forward gallantly to shed their blood for their Queen and country against the invader, who by that time had no great prospects of escaping the vigilance even of the American police. The gentle Governor Archibald eagerly accepted the repentance of these eleventh hour workers in his vineyard. He received a letter from them, made a gracious reply to the prudent conditions for their personal safety stipulated in it, assuring them that for the moment at least bygones should be bygones, and encouraging them to believe that good service in the present would cover a multitude of sins in the past, reviewed their troops, and publicly took into the hand of the representative of Canada the hands that were stained with Scott's blood. Smith, like all sensible men, saw that this proceeding practically settled the question of amnesty. It is impossible to hang men who have been publicly thanked for loyalty and shaken hands with by a lieutenant-governor.

## RIEL IN OTTAWA

It may, however, be highly advisable in their own interest and everybody else's to get them quietly out of the country and even to pay them handsomely for going. Thus far at least it is clear Smith did agree with Archbishop Taché and Governor Archibald. So did Sir John Macdonald, that old parliamentary hand, who at that moment was cornered so painfully for his own sins and the people's between the devil of Ontario and the deep sea of Quebec, and whose chance of gathering votes upon his native heath was not bright so long as Riel remained unhanged at Red River. Smith, accordingly, made no difficulties about finding the £600 declared by the other two impetuous local authorities to be indispensable for the purpose, and acknowledged by Archibald as a loan in the public interest which the Dominion would certainly make good. Riel and Lepine were offered that sum to vanish for a year, or at the very least till after the next general election—the famous one of 1872. They took the money—and quietly spent most of it at Red River! Their valuable absence was not to be had at such a figure. Riel had the impudence to stand for Provencher at that very election, and, after gracefully retiring in favour of Sir Georges Cartier, was returned at the bye-election which followed the death of the latter, and actually presented himself in Ottawa, though in 1870 a true bill for the murder of Thomas Scott had been found against him by

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the Grand Jury of Manitoba. He had actually found means to take the oath as a member of parliament and inscribe his name in the book before he took the trouble to go into quite unmolested hiding! No wonder the foreigner finds it hard to understand the ways of the English-speaking peoples! At length in 1874 on the motion of Mr. Mackenzie Bowell he was formally expelled from the House of Commons as a fugitive from justice. In that same year he was declared an outlaw, his companion Lepine being at the same time sentenced to two years imprisonment, and Canada was thenceforth free of him until in 1885 he returned from his school-mastering in Montana to head that second rebellion which ended for him upon the gallows at Regina. Smith might just as well have kept his £600 in his pocket. The money did no good whatever and it was a long time before he ever saw it again. Sir John naturally found the debt a very awkward one to proclaim abroad. It might very appropriately as well as conveniently have been discharged out of the Conservative campaign funds. That method however does not seem to have occurred to him, and a bribe which missed fire, though it seemed well aimed for its purpose of projecting rebels, accused of murder and equally embarrassing to clear or to condemn, out of the way of Her Majesty's Government, would not have been a very presentable item in a budget. At any rate by a curious irony of fate it

## AN AWKWARD LOAN

was not by Sir John's government, in whose interest the money was expended, that it was ultimately repaid, but by the men against whom it was partly at least intended as munitions of war, Alexander Mackenzie's government—by that time grown extremely benevolent in their feelings to Donald Smith! In the discussion on the subject Schultz made the most of such a golden opportunity of establishing secret complicity with the rebels on the part of his victim. He even went so far as to suggest that that frugal gentleman had had an eye upon the accumulated interest at seven per cent in deferring collection for three years. Smith had of course, as everybody else saw, acted merely as a banker who did not necessarily have any opinion of his own as to the destination of his loan. But a good many people must have gone home with the impression that although Sir John ought to have paid it long ago, yet, as it had so happened that he did not, the best and simplest way for the Hudson's Bay Company and its member would have been to cut that loss and write it off in pious humility as a small fragment of the great penance due from them on account of their own past sins.

Schultz at least, the other culprit, whom it suited to accuse the Hudson's Bay Company mostly of the things in which they chanced to be innocent, had little thought of wearing the white sheet. Fortunately his antagonist did not make

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the tactical mistake of confining himself to a mere defence. He succeeded indeed in giving his resourceful enemy some shrewd Rolands for his Olivers, without, however, once achieving the feat of bringing a blush upon that armoured forehead. He indicated in the most parliamentary style that those who knew the sternly denouncing moralist best were least inclined to expose themselves to the perils involved in leaning too hard upon his spoken words. He pointed out that no martyr had ever found persecution and bonds so obviously lucrative, that no child of Israel had ever come out of a fire so much enriched if not purified, as this fortunate victim to his loyalty had emerged from the late rebellion. The compensations for losses in it had been nearly monopolised by the good householder who before it broke out was not generally supposed to have anything particular to lose, except his skin. The late retail dealer with trustful Indians in advantageously acquired government flour and pork was now a wealthy magnate, the man who a few years ago had fought to the death, and wrecked the sovereignty of the Hudson's Bay Company in the struggle, to avoid the payment of two small debts, could now well afford to lavish an equivalent sum in a year's tips to waiters. But in spite of the portentous transparency of his own glass house Schultz went on gaily throwing stones. There was something admirable in his joyous resilience.

## THE AMNESTY DEBATE

On the occasion of the amnesty debate he charged Smith, apparently quite by a happy inspiration of the moment, with having stolen under cover of night into a certain meeting of the half-breed Catalines. Smith took the trouble to procure affidavits from reputable persons on the spot which conclusively proved the statement to be the airiest figment of an ingenious fancy. Of course it took some time to get this evidence. Instead of being overwhelmed by it when at length it came thundering down upon him Schultz merely sighed wearily like a man who has been reluctantly compelled to reopen the stalest page of ancient history. "His friend from Selkirk," he said, "was like the Ancient Mariner:—He suffered from the indigestion of an ancient crime. He could not get away from it. It was always 'coming up with force.' He was doomed—'by his long grey beard and glittering eye'—to stop all passersby on all occasions and pour out that everlasting tale of woe in their ears—." Who had really killed Cock Robin? Whose extremely long bow had laid low the poor foolish Métis? Certainly not the member for Selkirk's. And if the Hudson's Bay had not been guiltless in that sad business, it was not they, but the Honourable Member for Lisgar, afterwards Senator for his Province and Lieutenant Governor of Manitoba, who had—not merely shot—but also skinned the luckless albatross.

That was the end, so far as we are concerned

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with it, of the Riel Rebellion. It is a wretched story, and yet extraordinarily significant of the stage of development which public life had then reached in Canada. Donald A. Smith was almost the only man who took any conspicuous part in the labours and wrangles it was rich in who managed to come decently out of them.

## CHAPTER X

### THE VOICE OF THE NATIONAL CONSCIENCE

**T**HESE battles with Schultz did not cost him much sleep. A much more serious episode in his parliamentary career was the collision with the leader of his party into which he was most reluctantly driven by the notorious Pacific Scandal. It was in this painful shape that he first made acquaintance in grim earnest with the great railway which afterwards bulked so largely in his life work. He was doomed to begin his connection with that undertaking by making bitter enemies of his old friends and natural allies, of the very men without whose daring help the arduous business would scarcely have been taken in hand, much less accomplished in his day. The part which he took was none the less a man's part. In order to see quite clearly that it was, we must once more go rather carefully into this unedifying chapter of our history.

The election of 1872, in which Donald A. Smith was again returned for Selkirk as one of his supporters, was the toughest Sir John Macdonald ever fought in his life. He had heavy odds against him. The rage of Ontario over Scott's unavenged death was still blazing. It had already made his

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opponents masters of the Provincial Legislature, and therefore of the most formidable influence and patronage. He had incurred bitter unpopularity in many quarters by his admirable conduct in the negotiation of the Washington treaty. But the real issue was the Canadian Pacific Railway. By his bold forward policy in that affair, wise as it was in facing risks to avoid risks still more deadly, and vital to the growth of the country—nay, as he believed, even to its integrity as it already stood and to the maintenance of Confederation,—he demanded an output of national effort, courage, faith in the future, and readiness to spend large sums of money which it was hazardous to expect of a somewhat unimaginative and extremely hardworking and frugal people such as the great bulk of the farmers and tradesmen of Canada then were. His rivals had hoisted the untimely but attractive banner of economy and all the hosts of inertia and a short-sighted parsimony were sure to march under it with them to the polls. Sir John was determined to beat them. It was an hour of fate, he thought, and the Liberals had already plainly shown that they were not equal to it. There was in his view one thing needful at that moment, the immediate construction of a transcontinental railway, and the Opposition had unmistakably decided to gather votes from the cowardice and niggardliness of the electors by a policy of indefinite postponement of the indispen-

## AN ORGY OF CORRUPTION

able. Therefore they must be kept out of office and he must be kept in at all costs. He did keep them out—for a time. He went back to Ottawa with a significantly diminished majority. But it soon appeared beyond all question that the cost in every sense had been intolerably high.

Neither of the two parties in the state had ever been squeamish in such things. The principle formulated on the one side in the maxim—*elections are not won by prayer*, on the other in the proposition that—*the methods of the Sunday-School are not effective at the polls*, was a fundamental axiom for both. But on this occasion it had been applied in an orgy of corruption hitherto unheard of in Canada, and there could be no doubt that the Conservatives had had the most money to spend. A grossly disproportionate amount of it, too, had come from one man. Sir Hugh Allan had been promised the charter of the railway, and the very first act of the new administration in March, 1873, was to pass a bill handing over that charter to him and his company. Thus the stipulated goods were duly delivered. A heavy price had been paid for them in the interval. Sir Hugh, as it soon came out, had contributed to the campaign fund of the party whose continuance in office was indispensable to the ratification of his contract a total of such portentous magnitude as to suggest irresistibly, first that it was altogether too well worth his while to secure it, second that he had

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made it too well worth the government's while to give it to him, and thirdly that the issue of the election which he had assisted providence so much to bring about could hardly be regarded as a pure and unmixed expression of spontaneous will on the part of the constituencies. There was also a widespread suspicion that a good deal of the peculiarly filthy lucre which had circulated so freely had come from American capitalists. It looked very much as if the statesmen of Canada, who passed for the standard-bearers of the most jealous Canadian patriotism, had sold the dearest interests of their country to a gang of alien speculators for the means of corrupting their countrymen.

The suspicion was much strengthened by the source from which light fell on this uncleanness. It was an American of the lowest type, called McMullen, that blew upon Sir Hugh Allan and compromised Sir John. The fellow had carefully kept Sir Hugh's frank letters and telegrams to himself, sold them back to him at a high price, and then sold them once more to his enemies. Further correspondence to the same illuminating effect was stolen out of locked desks for the benefit of these seekers after truth, one being a letter from Sir Hugh Allan to Sir Georges Cartier containing the interesting information that by the 7th of August, 1872, the former gentleman had paid out \$250,000 and that he expected, humbly hoping that this

## THE PACIFIC SCANDAL

would be the last of it, to add another \$50,000 before the end of the month.

Once they had got upon a scent so hot the hounds of the Opposition were not long in closing upon their "old fox." First blood was drawn by Lucius Seth Huntington in April, 1873. Evidently going upon McMullen's material, which, however, he did not then produce, he made two charges, first against Allan, whose charter had been ratified by Parliament in March on the distinct understanding that his company was to be an exclusively Canadian one, that he was merely the stalking horse of American speculators, second against Her Majesty's Government who had, it was alleged, sold him the contract for large sums to be advanced by him for electioneering purposes. Such serious incriminations could not be passed over in silence. It was not, however, until the following August, after a good deal of fumbling and sparring for position, that the effective form which the inquiry actually took was finally decided upon, a Royal Commission consisting of three judges. In the meantime the whole country had been wrought up to the highest pitch of excitement. The McMullen correspondence had appeared in the *Montreal Herald* on the 4th of July. The blow was parried to some extent by an affidavit of Sir Hugh Allan's, published on the next day, which denied Huntington's charges of American control and all formal bargaining between himself and Sir

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John. But on the 18th of July the second batch of fatal documents came to light. These had every mark of authenticity and seemed to indicate very broadly that if there had been no express compact between them there had been a tacit understanding, and to prove conclusively that the men who had procured his railway charter for Allan had poured out Allan's money like water to procure their own return to power.

When Parliament assembled at length on the 23rd of October all eyes were turned toward Ottawa. The report of the Royal Commission, while disposing of the suspicions of foreign gold having been poured into Canada like a branch of the Styx, established the plain fact that the money of an interested beneficiary had been recklessly used to lift his friends and feeders into the saddle. Most quiet people felt in their hearts that Alexander Mackenzie did no more than express the verdict of the common conscience when he moved an Amendment to the Address demanding a vote of censure on the present advisers of His Excellency the Governor-General of the Dominion. The reply of the Government was no better than the ancient one "*tu quoque*." James Macdonald, the Conservative member for Pictou, proposed, in effect, that the House should assure His Excellency of their continued confidence in his existing Cabinet in spite of their unfeigned regret that it seemed as if both political parties thought it necessary to

## SUMMONED TO OTTAWA

expend so many dollars in addressing the intelligence and patriotism of the Canadian electorate. In other words the accusing Opposition were no better than the convicted Government. His Excellency's choice was one of rotten apples.

That of the perplexed member for the Hudson's Bay Company was not much better. Poor Smith did not fully sympathise with either the amendment or the amendment to the amendment and could get no sanction for the characteristic independent "*tertium quid*" in which his own tormented soul would have found salvation. He had been summoned from far Fort Carlton where he was then upon his Company's business by an urgent message by letter from Sir John, had set out in hot haste for Winnipeg, whence he telegraphed that he would be in the Capital by the 23rd. In that at least he was as good as his word. On the 23rd, he turned up sure enough. Would he support his leader at this crisis or not? As it turned out, the fate of the administration largely depended on his decision. Not a soul knew how he would act until the very last moment. Perhaps he did not quite clearly know himself. Perhaps he thought "it would be given him in that hour." At all events he steadfastly refused to commit himself. Both Sir John and Sir Charles Tupper tried to get him to do so. Friends of the premier were despatched to sound him. He had an interview

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with Sir John, where it seemed Sir John was not quite himself. No sure word could be extracted from him that could be twisted by the most sanguine partisanship into a promise of support. Nay, according to his own public statement on a memorable occasion which we shall come to in due course, he declared in the most decided terms to the soliciting emissaries in the Speaker's private room that in conscience he could not possibly subscribe a vote of confidence like the member for Pictou's, based upon the audacious plea that two blacks made a white for the Conservatives. Their guilt had been brought home to them beyond question. He urged them to confess it frankly without seeking to extenuate or to shelter it behind the unproved guilt of others. The country might then like himself continue, notwithstanding, to cherish so high a sense of their merits in other respects as to be willing after all was said that they should still retain their present place. One need not be surprised that two practical politicians like Macdonald and Tupper should have waived aside this counsel of perfection. But there can be little doubt that they still clung to the fond surmise that their Mentor could not bring himself in the end to pronounce against them. Otherwise it would be impossible to fathom the extreme rancour which they kept up for many years against him. They seem to have counted upon the balance decisively inclining at last in his

## A TEST OF COURAGE

mind towards the side of old loyalty and strong approval of their forward policy.

So when at length, on the seventh day of the historic debate, in the very early morning hours of the Gunpowder Plot anniversary, the fifth of November, the member for Selkirk rose in his place, men looked towards him instinctively whether with hope or fear as a possible and perhaps—who knew?—an effectively exploding Guy Fawkes. The house was full, the galleries overflowing; expectation on tensest tip-toe. He began with the modest remark that he had but little to say. Nobody had the slightest idea what that little might be and everybody felt in his bones that it would turn the scale. He spoke hesitatingly as if he were thinking aloud, feeling his way, and growing up as it were to some as yet unshaped conclusion. Almost up to his last sentence it seemed as if he were screwing up his courage to take the leap over all obstructing scruples and land on the bank by the side of his admired and beloved chief. Was he really equal to that heroic degree of party fealty, so much prized by Sir John, which could follow to the mouth of the bottomless pit and hack its way through all entangling undergrowth of doubt, or certainty, as to questions of right and wrong? Had this Scot a Scottish-Calvinistic conscience or had he not? That was what the Liberals were asking themselves in hushed suspense. It did not yet appear. The tardy orator

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dwelt long on his lofty appreciation of our great statesman's services, on his own hearty agreement with all his legislative measures and the brisk forward movement of his direction of the affairs of state, went so far even as to acquit him of any corrupt intentions in taking Allan's money. He had so relieved the anxieties of many persons on the Speaker's right that they rushed away to the refreshment room to celebrate their joy. Rash men! These were but wreaths of obsequy to be prettily off with the old love, not orange blossoms for a Darby and Joan renewal of inveterate marriage bonds. The draughts of those premature toasts were indeed but funeral wine and stirrup cups, not silver-wedding goblets. For in the meantime the member for the Hudson's Bay Company was drawing to the point at last, the vote of confidence! He would gladly vote confidence, he said, amid loud cheers from the right—drowned in a moment by a reverberating thunder of jubilation from the other hand as he went on in the next breath to add;—"If I could conscientiously do so." The murder was out. He could not. Her Majesty's Government must, like Cæsar's wife, be above suspicion if they were to keep unbroken the ties that had bound them so long to Donald A. Smith.

The story used to be told, and found its way into print, that after this deliverance Sir John met Smith in the lobby, and could scarcely be held

## THE GOVERNMENT RESIGNS

back by main force from slapping his face, breaking out the while into burning flowers of the kind of eloquence which, when he felt the need of it, no one had more at command than he. It is not a true story. The occasion was quite beyond that. What Sir John did say must have seemed incomprehensibly tame and totally irrelevant. "You shall be paid that money," said he, meaning the £600 we know of. What did he mean? That "short accounts make long friends" and that Smith had punished his delay? Or did he mean, what Tupper later had the tongue of brass to assert, that the member for the Hudson's Bay Company had despaired of his ever paying and hoped for better things from the new friends he had just made? It is impossible to tell with certainty. But two things are certain enough. Sir John never did repay that money, and he knew the game was up. That same day he sent in his resignation and Alexander Mackenzie reigned in his stead.

It is little wonder that for a long time after they had received from his hands that astonishing proof of the bitter distance there may be between the cup and the lip the name of Donald A. Smith was anathema to the Conservative party. With intolerable unction he had made them taste the pains of Tantalus and spilt their cup at the last moment. That was all they wanted to know about him for many a long day. In spite of that, however, and the extreme unpleasantness it brought him,

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he had not only, as was very soon proved by Mackenzie's overwhelming majority at the following election, which sent Smith back in the capacity of an "independent," expressed the immediate feeling of the country, he had also exactly anticipated what one may say has already proved to be the final judgment of posterity upon this matter, a somewhat reluctant recognition of decency as the paramount interest of Canada at that moment. It may well be held that Mackenzie and his followers put back the hands of the clock. But few would now dispute that Macdonald in his eagerness to make quick time had tampered with the pendulum. The member for the Hudson's Bay Company was in that crisis the voice of the national conscience. Nobody knew better than he that the coming in of the Liberals would mean a set-back to the north-west. And yet the man whose local prestige and personal advantage generally stood to lose most by the retardation was the man who resigned himself to make haste slowly and to set on high the supreme claims of common honesty. He did the right thing where the right thing was not very easy to see and very hard to carry into action. It took a wrench to do it. We may well believe him that the deed had many a sleepless night for prelude. And after it was done and done quite in the best way,—few people have ever succeeded in winning more venomous hate or more ingenious obloquy for discharging a plain duty in the most

## AN ASTONISHING SCENE

kindly possible way, for telling the sad truth in reluctant love. It is of course impossible to sound the motives of any human being. Perversity and the artifice of an invincible prejudice may attribute even the best of deeds and the costliest sacrifice to some more or less subtle form of self-seeking. But surely no rancour on the healthy side of pure obsession could go out of its way to discover some far-fetched meanness of motive in Donald Smith's conduct on that occasion or rob him of the credit due to the memory of a man who at least once in his life did his duty under great difficulties.

His old friends however took a long time to arrive at this point of view. By the 10th of May, 1878, they had certainly not reached it. On that date the chickens came home to roost with a vengeance. The wrath he had stored up for himself by his virtue on the November morning five years before broke upon his devoted head in a compound interest of fury. It was an astonishing scene, the most disgraceful, according to George Brown, which had ever been known in the Canadian House of Commons. Indeed the whole history of parliamentary institutions might be challenged to produce another such fierce display of bear-baiting. Smith was the apparently unwieldy but unexpectedly effective bear; Macdonald and Tupper the most nimble and rabid of the dogs; and on the whole it was the biters who were bit.

The manner of it was thus. Smith had made

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very fruitful use indeed of these five years. In particular he had gone in for railways to some purpose. In February, 1878, though he had very wisely refrained from proclaiming upon the house-tops that he had any hand whatever in the deal, he and his friends, chief among whom was his cousin George Stephen, had taken over the bonds of the St. Paul and Minneapolis Road from their Dutch holders, the idea of this *coup* having in all probability first dawned upon him some three or four years before, and certainly later than the fifth of November, 1873. Now of course the whole north-west, and above all Manitoba, was clamorous in demanding the full benefit of that railway. They saw in it no less than their salvation. But since Donald A. Smith had as usual taken the precaution to make his own interests coincide with his country's, Sir John did a thing which was quite unheard of for him, giving thereby an almost incredible proof of the truculence of his feelings—he did not hesitate to put a spoke in his enemy's wheel although that happened to be manifestly an integral part in the structure of the public omnibus. The only way to reach the north-west without enduring torments was Smith's railway. In order to facilitate the indispensable communications with Winnipeg, Mackenzie's government had taken the entirely innocuous step of bringing in a bill to give that railway running powers over the "Pembina branch," which they had just made

## A QUESTION OF PRIVILEGE

arrangements to get built at last, from Selkirk to St. Vincent, their terminal on the border, where Smith's American line, the one tolerable route from Toronto, joined hands with them. Sir John opposed the measure ostensibly on the quite absurd ground that it was objectionable to have the trade of the Dominion carried by aliens—the difficulty was to get it carried at all!—and on that ground the loyal Senate, which there had not yet been time to purge of his partisans, obediently threw it out. But his real mind in the matter had scowled out in his allegation that the true purpose of the bill was to reward for servile support of the government a certain member of the House, who had admitted his share in the interested monopoly. Smith, the mark, as all knew, of this poisoned arrow, had not been present to rebut it on the spot. But on the very last day of the session, about three o'clock in the afternoon, when Black Rod might be expected at any moment to appear at the door on his way to summon Her Majesty's faithful Commons to the Senate House for the prorogation of Parliament by His Excellency, the member for the Hudson's Bay Company rose to a question of privilege, holding in his hand an Ottawa newspaper which contained a report of the attack upon him.

He had never, he said, after reading his extract, admitted connection with the Corporation referred to; (as a matter of fact it was not his way to wear

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either his heart or his investments upon his sleeve, and he had foreseen that just such an attack might possibly arise,) but even if he had that would not have given the leader of the Opposition the right to speak of him in such an injurious manner. It was, however, quite true that he had a stake in the "monopoly." He had laboured, in other words, to obtain for the district he represented the better access to the outside world which was an urgent necessity for its welfare and which the honourable gentleman and his friends seemed determined to block by every obstacle within their reach. He certainly hoped not to lose by his exertions, but whatever gains might accrue to him personally would be won in the process of furthering the general advantage. He would appeal to Sir John's own considerable experience of him. Had his detractors ever found him using his public position to push his private interests? He would defy them to say that he had ever once to their knowledge accepted a penny for service to the state, or asked them for a single favour for himself, for a relation or a friend, or for any corporation like the Hudson's Bay Company in which he chanced to be concerned.

So far the speaker was able to unburden himself in comparative peace. Cries of "traitor," "coward," "liar" and the more burning and specific "Yankee Railway," "Dutch Bondholders," had precluded and accompanied the exordium. Sir John had

## A DISGRACEFUL SCENE

interjected one or two shrewish questions. But the steady flow was not much broken; the meaning had pierced the heads of friends and foes. But when he had done with the immediate grievance that had called him to his feet there still remained some other Conservative calumnies which he thought it as well to deal with while he was at the wash-tub. So after finishing Sir John's buck-linen he turned upon Tupper who had also, though not so recently, given the rein to imagination at his expense in certain luxuriances of platform aspersions. From that moment peace fled. Inferno broke loose. It was hard to hold fast by the thread of any continuous or intelligible discourse. The speech became an altercation, an angry dialogue of the choppiest fragments, mostly with Tupper, though for a while (till a bad smash silenced his batteries) flashes of ejaculatory poison gas continued to be emitted by Sir John, all this to a rippling accompaniment of cries of order, gusts of applause, and hisses, cat-calls, and cock-crowings, a drop of oil here and there from Mr. Speaker, howls of execration, hand-clapping, stamping of feet and brief crackling discharges of more or less articulate Billingsgate.

By this time the debate had been switched off from the events of to-day or yesterday to that most controversial of all possible topics, Smith's unforgettable and unforgivable defection of five years before. Under what circumstances had that taken

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place? What were the impelling motives? Smith had one account clear and definite at every point. In spite of the noise of the captains and the shouting he made a shift to present it. His assailants had another. The Canadian annalist has to decide between them and it is mainly by the lightning gleams of that terrific tempest in our parliamentary teapot that he must labour to read the truth.

Tupper's was the hand that had sown the wind. During the last recess, that vigorous orator had been the principal attraction at one of those famous Watteau idyls of his party, the Orangeville Picnic. He had there analysed with the pellucid simplicity which stamps the choicest flights of inventive genius the workings of Smith's mind on the eve of his secession to the Grits. There had been no mystery about it, according to this well-informed psychologist. In those days Smith, whose addiction to the main chance at all stages of his career was known to everybody, had a certain sum of money (the everlasting £600, Riel's viaticum) to collect from a somewhat microscopically inquiring government. After several attempts he had resigned himself to the conclusion that he could not be sure of getting the money out of Sir John Macdonald. Therefore, after waiting till the last moment when he could see fairly plainly that the old ship was not very likely to weather the storm, the uncanny uncle had helped to fulfil the forecast of his own prophetic soul by scuttling her and

## A PARLIAMENTARY BRAWL

ratting to the enemy. He had reckoned, not without his host, that the new allies, won for him by such a timely hoist into the high places from a dexterous "independent," would not look so closely as the old chief into snippets from the treasury and other favours. The shrewd expectation had been abundantly realized.

On the face of it this pretty story was of the very flimsiest texture. It could pass only at a picnic. Hardly had Smith, flourishing in his hand his second newspaper, begun its confutation, when Tupper rose in a fury to a point of order. The Orangeville picnic was altogether too old a story. Much too late in the day for a man who had never opened his mouth on the subject during the three months of the present session—it was in fact a cowardly action—to rehash such stale grudges now that Black Rod was at the door, to take shelter behind that functionary's robes from the answer that would otherwise be given,—“And from the punishment he would get,” added Sir John. Smith, however, was not to be put off his scent. Promptly throwing back the imputation of cowardice upon its valorous source, he went on to read the newspaper report of the offensive lucubration and then proceeded to give his own recollections of what had really happened in the course of the events upon the narrative of which the sportive raconteur of Orangeville had lavished all the wealth of his airy fancy. These differed

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considerably, as it soon appeared, not only from Tupper's but from Sir John's. It was at this stage of the astonishing discussion that the House, as if the wand of Circe had been waved over it, frankly dropped its human mask and changed to a sheer Bedlam of rioting passions. Smith could scarcely finish a sentence in one breath. The naturally level stream of his speech was turned to a dizzy rapid, swirled drunkenly this way and that by jagged rocks at every inch of its advance. And yet, in spite of the momentary whirlpools and back-waters and side-rushes forced upon him, he kept a course in the main so straight and true that a bird's-eye view from some fair height above could have detected no divagations but only an unusual fulness, velocity and power. Macdonald's, Tupper's, and—most meanly spiteful of all,—Rochester's interruptions did not prevent him from saying his say. Like the Inchcape bell, high on its unquenchable rock among the deafening waves all round, he pealed out his own plain story loud and clear. That interview which he had had in the Speaker's room with Sir John's emissaries, ("the honourable member for Charlevoix, an honourable gentleman from the other House, Mr. Campbell, and Mr. Nathan, a personal friend of mine"), his own steadfast refusal on grounds of conscience to accept the whitewashing vote of confidence, his suggestion of the manlier, more honest and more excellent way of frank and

## ASSAILED BY THE OPPOSITION

open confession without squinting at other people's undemonstrated partnership in iniquity—he got it all told in the teeth of his hornet-like tormentors. Nay they actually helped him out. To their own confusion their stings turned to corkscrews of reminiscence, and brought things out of him into the light of day which otherwise would never have reached the surface, things which a moment ago, had someone mentioned them, he would have thought had quite dropped from his mind. His memory of every detail in those “far off” if not conspicuously “divine” events seemed to be only clarified and stimulated by the shocks and violent peltings of his assailants. It was manifestly much more complete, exact and trustworthy than Sir John's. It retained in the sharpest relief certain incidents which that statesman, the records of whose mental tablets were by no means indelible, had found it convenient to forget and had indeed quite honestly forgotten.

Smith's story, if, in the interests of clearness at the expense of its vividly dramatic quality, we may venture to disentangle it to some extent from the clamorous wild west show which tried to drown it, ran thus. He was away in the distant wilds when an urgent message, summoning him at once to Ottawa, reached him from Sir John Macdonald, in the form, not of a telegram as Sir John now said, but of a letter. He had at once set out post-haste for Winnipeg, and from there had

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telegraphed, not that he would support him, as Sir John by a sanguine inference entirely without warrant from the written words seemed to have rashly concluded, and as Tupper in the face of better knowledge of the precise fact now dared Smith to deny, but simply, as mere courtesy demanded, that he would be on the spot in good time, namely on the 23rd of October. He had kept his tryst. Sir John had first sounded him by means of the conversation with Senator Campbell and others in the Speaker's room. Finally, on the very eve of Smith's famous intervention, during the afternoon of November the fourth, Sir John had sent for him and met him *tête à tête* in room No. 5 or 6, Smith was not sure which. The Premier, who was in a state of great excitement, not altogether explicable by the anxieties natural in that feverish hour, had laid personal siege to him, earnestly endeavouring to extract the definite promise of his vote. He had no less definitely failed to extract it. By no importunities of argument or appeal could Smith be moved to pledge himself. He had not told Sir John what he was going to do. It may quite well be that even by that time he had not known exactly what he would do. But it was perfectly plain what he would not do. As he had already made plain as a pike-staff some days before, he could not "conscientiously" vote for the amendment of Macdonald of Pictou, and he would not. At last Sir John had ceased to press

## A FATAL UTTERANCE

him. By a sudden change of tone such as the condition he then was in had rendered perfectly natural the old Reynard began to cry "sour grapes." With a flash of the eye and a wave of the hand he had defiantly indicated that it was after all of little consequence whether the House would support him that night or not; he would appeal to the country and Ontario would support him to a man! Now this declaration, as Smith took care to point out, was not exactly laudatory of Ontario. It implied an estimate of the political morality of the virtuous Province *par excellence* which brought it down to the level lately assigned to Smith's faithful clientèle of Selkirk by a taunt of Sir John's own, who had spoken of that constituency as a "rotten borough," a "complete old Sarum." If the words had really been uttered it was a fatal utterance. So Sir John, who could do so quite ingenuously as the fact had left no trace whatever upon his brain, broke in at once with a categorical denial. There was not a vestige of truth he cried, in that statement of Smith's. He had never used those words. Unfortunately for him Smith had not forgotten either what Sir John had said or the reason why he had forgotten that he said it. In a sense it might be true that he had not framed those syllables himself, because he had not been quite himself when he framed them. But they had certainly issued out of his mouth. "The spirit within him" had said them.—That tricky

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and oblivious spirit had been too much with the prime minister in those anxious nights and days. His name in him had been legion, one may regretfully infer—. For, as the grim retentiveness of the recording angel now on his feet before the House, refreshed and stimulated by being called in question, forthwith recalled, it was no other than Tupper himself, the trusty lieutenant of the slippery-minded chief, who had on that same night as well as on the next morning been incensed to declare that the Right Honourable Gentleman was not then capable of knowing what he said or did or of being brought to discern the difference between right and wrong.

Now the fat was in the fire with a vengeance. Tupper sprang to his feet; but even he could not counter in the most effective way by administering the lie direct. The monstrous fact was too overwhelmingly present in his mind. The very utmost he could bring himself to do at such short notice was to protest with rage and fury against this 'disloyal' use of long-past private conversations, then waxing bolder as he warmed to his desperate work and saw by a word from the Speaker that that was not enough—was mortally not enough—to add, obviously by afterthought, the vaguest general assertion that the 'disloyalty' was also falsification, and finally to drop the subject like a fiery coal and cast about for something,—anything!—less hot and less heavy. What should it be?

## RAKING UP THE PAST

He had it!—Smith's proud claim made at the very start (and quite unchallenged then!) that he had never asked a favour. By Heaven he had! It was a long time ago, but he had. Tupper fished it up at last under sore stress of need. If Smith's memory had been shaken up to its bitterest dregs, so had his. He went back even farther—not to '73 but to '69—he too, by a flash of inspired reprisals, to the sanctities of the most confidential kind of intercourse. Two could play at that fascinating game! It all came back to him as if it had been yesterday.

The scene thus raked up by the necessities of combat in the present lethal arena contrasted strangely with it. It was a private section of a railway-carriage westward bound, still on the less woolly side of Chicago. Two men were sitting there in closest consultation—two messengers of peace, at perfect peace with one another like a pair of doves with olive-twigs in bill, yet very much resembling the very gladiators who after nine eventful years are now glaring at each other across the floor of the House. Messrs. Smith and Tupper were on their way to stem the flood of the half-breed insurrection. Smith whispered in the ear of his travelling companion the hint that on Tupper's return, which was to be quite soon, it might be worth while to point out to the Chief the advantages in respect of his difficult and dangerous mission which might accrue from conferring upon the emissary the rank of Privy

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Councillor. The suggestion had in due course been offered, and received in a rather contemptuously eloquent silence at headquarters. So nothing had come of that discreet request. But it had been made. What was to be thought of the veracity of the man who after holding out his hand like that for an alms could now come forward and boast before the House in the very first words he had spoken that day, that he had never stooped to ask a favour? Would not such a loose-tongued braggart be capable of saying anything at all?

That was the best poor Tupper, driven to his wits' end, as Smith truly said, could do to make a diversion. It was miserably little. He had not saved the situation for his leader who, since the mortal stroke straight at his weakest point, had sat crumpled up in a trance, red spots on his cheeks, his throat too dry to shout another objurgation till the very end. Nothing short of a straight lie from his right-hand man would have availed to restore animation. The bold henchman could not on the spur of the moment "sin boldly" enough for that. Smith in all his experience of him had by his own showing begged but once, and that once was nine years ago! Besides he had not begged at all. With an eye,—and who dared to say that it was not a single eye?—to the better discharge of an extremely delicate and dangerous bit of public work, he had asked the authorities, who had charged him with the hard problem of

## THE END OF THE HURLY-BURLY

unwinding the ugly snarl their own negligence had largely tangled, to arm and equip him for his task with a bit of ribbon, which he had the best reasons in the world for believing might help him both as a weapon and a protection. Which of the two actions had shown a petty personal spirit in a serious affair of state, the petition or the refusal? Tupper had meant to throw a stone, or a good wet ball of sticky mud at least. It turned out to be but a rather malodorous handful of dry old dust that blew back in his own face. Smith had but time, as he rode on quite unconcerned, to flick it off in passing with a word to indicate the extreme mustiness of the powdery garbage, but not to use his whip as he might have on the thrower. For just then, like a god from the machine, the long-expected messenger from the serene heights of the Upper House came down to end the hurly-burly and rescue from further "punishment," not, as they had said, the assailant, who was now just beginning to enjoy himself and going strong in full swing of reminiscence, but Tupper himself and his moulting captain. It was surely like the sight of land from a wreck for them to behold the Sergeant-at-Arms come forward to announce the arrival of His Excellency's bringer of good tidings. Mr. Speaker, too, for once really felt the great pleasure he expressed in informing the House that it had now become his duty to be done with his presidency and to receive in fitting

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silence the envoy of the Throne. There was time only, as the latter marched to the table, for Smith to sketch with rapid sweeps the tail piece of his illuminating inner history—a final interview the day after the fray where two strong Conservatives, unnamed, offered to throw Sir John over if Smith would go into division against Mackenzie's vote of censure,—for four more interjectional urbanities on Tupper's part, "coward! coward!" thrice repeated and by way of parting shot; "Mean treacherous coward!"—observe however not "liar!"—and then, to wind up weightily, a single expiring flare and detonation from Sir John. He had come out of his swoon and got breath at last to add the one indispensable word which Tupper, who knew better, had not the force to prevail over himself to supply. Those far away events they were all confusedly talking about were still blurred as with a mist in the chambers in the chieftain's mind. His ignorance was bliss, for the moment at least. "That fellow Smith," he cried, "is the biggest liar I ever met in my life." Sir John was not denied the satisfaction of having the last comprehensive word, which would also have been decisive if it had only been true.

Then Black Rod said his say and waved his wand and the whole flock, with their shepherd, Mr. Speaker, at their head, passed out in two converging streams to "where beyond these voices" peace brooded over the rich upholstery of the

## AN OBJECT OF WRATH

gilded Chamber, and thence to the green summer fields and still waters of the vacation. "As the crowd from both sides met in the passage," says a by-stander,<sup>1</sup> "angry Tories (they did naturally if not well to be angry!) with arms uplifted as if to strike pushed and hustled towards the object of their wrath." Smith, however, grey top-hat and all, escaped without bodily injury. It was "the most exciting scene in my life," he always said. He had borne himself well in it. Nothing reveals a man's quality so surely as his behaviour when his back is at the wall. Smith's was good. Fighting was not his *métier*, but he showed himself well worthy of the fists even of these practised pugilists. He gave much better than he got, never lost his head or, what is the same thing, struck one really foul blow, and came out of the liveliest *mêlée* ever seen upon that stage, not indeed untousled, but quite unsmirched and whole in wind and limb. The irresistible impression left by the perusal of Hansard is that—the facts were precisely as he recorded them; the record, considering the difficulties, was so complete and clear that it remains a priceless contribution to our knowledge of the somewhat seamy side of Canadian political history. On the whole his very antagonists, after they had cooled down, and perhaps just because they had blown off their long accumulated fury, admitted that the member for the Hudson's

<sup>1</sup> Preston: "Life of Lord Strathcona," p. 112.

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Bay Company rode the storm and made harbour with all sail spread and colours flying, *Pro pelle cutem!* The bear had kept his hide and the dogs had lost large patches of their skin. Besides, that was really a cross-roads, or ganglion, in the man's career. Therefore among other reasons, it has been worth our while dwelling upon it with some particularity. The past and the future met there for him in a singularly significant way; all the main lines and marked incidents of the past, the Riel rebellion, his temporary break with the old friends, that were yet to kiss and be friends once more in a momentous and lasting reintegration of alliance, all were linked by unsuspected vital threads, that branched and thickened and stretched away into the distance, to a future then the most unlikely possible. What astrologer under the unexampled dominance of Ursa Major on that day of acrid strife could have cast for those three blood-thirstily wrestling cannibals who were the principals in it a horoscope to prefigure their fruitful and energetic, though still modestly dissembled, coöperation in the uphill work of the Canadian Pacific achievement, and the resulting dignities of the High Commissionership in London, not to be withheld from the man who had been the despised and rejected candidate for a mere seat on the Privy Council.

## CHAPTER XI

### THE CANADIAN PACIFIC RAILWAY

WE have thus seen how the Canadian Pacific Railway and its "scandal," or stone of stumbling, nearly broke Sir John Macdonald, our greatest statesman. We have now to see how it came within an ace of beggaring Donald Smith. But we have also to see how in the end, by Heaven's blessing on man's labour and valour, it made both of them and many larger things. That a money-maker should have well-nigh come to grief in such a business was natural enough. But people in England used to find it hard to understand what there was in "that galley" to lure one of the prime ministers of the Crown so near to shipwreck; to explain why the leading spirit in Confederation should have risked political extinction and permanent exile into an ignominious privacy in connection with a mere thing of stocks and shares, boards, bonds and dividends. They were inclined to regard the phenomenon as one of the many symptoms of colonial inferiority. For a period of some fifteen years the burning question in Canada in the fire of which the greatest public reputations were reduced to an unsavoury cloud of smoke, was only a railway after all. At home it

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took wide questions of principle or policy to stir the national pulse. Over there across the water passions were excited to the boiling point, general elections were fought with fury, murderous tragedies hung poised, upon an issue which in St. Stephen's would have had its knots cut at the fag-end of a session by the pen-knives of holiday-making Alexanders, would have been treated as a little local business which could be smuggled through amid yawns in five minutes by application of the far from celestial machinery of a private bill. The fact is, however, as everybody knows now, that this particular Canadian Railway was one of the greatest constructive triumphs of our race; it changed men's minds; it rang the knell of an economic superstition; it was, too, *articulus stantis vel cadentis Imperii*—the integral article and vital hinge of standing or falling Empire. The Crimean War was a coalpit explosion in comparison. Just one man on our side knew in every fibre of him by the early 'seventies' what it meant. The man who had done most to make Confederation, the first step to organic Empire, a reality so far as it had gone, was naturally the most alive to the absolute necessity of rounding it off into a full and effective reality by taking the last hard clinching step at the top. Hence the Pacific scandal. It was in a desperate clutch at the salvage of his life-work that Sir John Macdonald got caught upon the rocks between the

## THE REPORT ON PACIFIC RAILWAYS

Devil and the deep sea. He sinned and suffered,—but surely in a cause where the end, if any ever did, went a long way to justify the means.

Just one man on our side was quite alive and awake. On the other side both insight and foresight were sharp enough. That infallible instinct for the horse-trade, brought over from Yorkshire, surely, in the *Mayflower*, had swiftly scented out the eve of a race for Empire-stakes with Vancouver Island for goal, to be entered for and run with horses of iron and brass. That on the south half of the course there was no lack for the contest in mines of the latter sort of ore at least, or in a perfectly lucid and well-skinned eye for the stakes and the conditions, we have the best of all possible evidence, a public paper which must be unique of its kind even in the archives of Washington. Goethe, prophetically anticipating the later practice of his own countrymen, in a generalization characteristically suggested by reflection on the ancient and less regenerate chapters of the history of England, finds a fundamental identity of aim and method in trade, war and piracy. Nowhere, surely, in all the unblushing annals of “peaceful penetration,” does a more childlike acceptance of the poet’s maxim as the simple axiom of all life shine out upon the student of slowly evolving international decencies with quite such an engaging smile of simple woodland cunning as in the Report on Pacific Railways presented to the Upper House

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of Congress on the 15th of February, 1869. In the projected route of these railways to which the memorialists have the honour to draw the attention of the Senate, that august Assembly, it is pointed out, has a golden opportunity to steal a march on Downing Street and its notorious sand-hatching ways with colonial eggs. That line on the map running close to the 49th parallel represented a short-cut big with commercial and imperial destiny, a reduction on the journey to Canton and Liverpool via San Francisco by a matter of fifteen hundred miles. Puget Sound was the true point for the fabled North-West Passage, the predestined spot for a great harbour and land-terminal to command the new trade with the east, and at the same time—to tap the wheat of the Red River and Saskatchewan valleys, as well as the gold and other minerals of the Fraser, Thompson and Kootenay. But, it was respectfully submitted, it was a case of now or never. The Britisher might wake up. He might open his eyes, see there was emergency, read the flaming letters on the wall, and get into this flowing land of Canaan first. After all, it was for the present his own. Not for long, if God's own people hurried up. "The opening by us first of a Northern Pacific Railway *seals the destiny of the British possessions west of the ninety first meridian*. They will become so Americanized in interests and feelings that they will be in effect severed from the new Dominion, and the question

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of their annexation will be but a question of time."

Now this was not the attitude merely of spread-eagle promoters. Sir John Macdonald had reason to know that it was the view current in the most responsible quarters. "It is quite evident to me," he writes in a letter to C. I. Brydges dated from Ottawa, January 28th, 1870, "from advices from Washington, that the United States Government are resolved to do all they can, short of war, to get possession of the western territory, and we must take immediate and vigorous steps to counteract them. One of the first things to be done is to show unmistakably our resolve to build the Pacific Railway." No wonder they thought so in Washington. It is hard for us Canadians now to read such cool forecasts coolly. But we must try to remember that all this happened before the Flood, as it were, and before the C. P. R., in a world where Cobden and Bright were the Mammoths if not the Messiahs. Their Gospel of Kitchen Love promised the Millenium on the easy terms that everybody should simply be left to make as much money as possible by letting a perfectly free trade strictly along natural geographical lines have free course and be glorified. If we are to understand the difficulties of building the C. P. R., which did more than anything else to shake this doctrine, we must take the pains to realize what a cast-iron orthodoxy it was in those

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days. To deny it was a kind of atheism. In Scotland, especially, it ranked in point of infallibility quite side by side with "effectual calling." Colonies from this point of view were a mere ornamental irrelevance if not worse. They were almost as hopelessly out of date as armies. It took a man bold to the point of temerity to doubt that the manifest destiny of Canada was just what Washington chalked out for her, to gravitate towards the mass to the south of her, whether she liked it or only lumped it, with a velocity proportional to the square of the merely imaginary distance. Mr. Gladstone, for instance, who disagreed with Abraham Lincoln about the destiny of the Southern States, did not substantially differ from the framers of the Northern Pacific report as to the future of Canada. He was quite ready to make up to Americans for his south hand's tenacious grip upon hereditary slave-grown cotton by the flaccid generosity of the other hand with what did not belong either to him or them; to compensate for secession by winking at annexation. It was a good thing for us that Sir John was not that kind of bloodless doctrinaire. He was an old fashioned Briton, a practical politician who sat pretty loose to political and economic theory and very tight indeed to British possessions. Above all, he was an artist in political architecture. He could not endure that a work already carried half-way to completion should be left a mutilated

## THE MATERIAL FOR A NATION

fragment, hanging in the air. Confederation must be crowned and finished. The second limb of the giant body politic that was in his mind was still to seek, the limb which must be planted on the western shore. What material had he to work up into a nation? Some five millions of hard-living and very unimaginative people at the most rudimentary stage of industrial development, farmers, lumbermen and small traders, strung out, not at all like pearls, along a line 3,000 miles long, and that gaping with two impracticable deserts, one of thick forest and unscaled Alps of 400 miles, another of a thousand miles of bottomless quagmires and the hardest rock on the face of the globe; all this under skies which froze the waters solid for five months of the year. This thin-sown straggling poverty-stricken population, each sitting at his own fireside and hard enough put to it to keep it glowing, separated by the rigours of their climate as well as by mountains, muskegs, mutual ignorance and diversity of interests, were to be joined together under a manufactured yoke of administrative and fiscal unity, one end of which rested on the Atlantic, the other on the Pacific Ocean. They must strain their eyes to look and their throats to shout east and west across the span between the rising and the setting sun, instead of comfortably chatting and bargaining with the good kind English-speaking people right at hand. For all along that

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endless frontier they had next-door neighbours divided from them by no fundamental disparity whatever, whether of blood, speech, traditions, religion, institutions or ideal, by nothing at all, in short, except the unnatural Procrustean violence of political artifice; a thick continuous block of them spread out pretty evenly by that time from sea to sea over good land uninterrupted by any serious barriers and lying under comparatively genial skies, rich, industrially well developed, free and adventurous people, now indissolubly united by a great war and bursting with the consciousness of election to a great destiny and a leading rôle among the nations. Surely Mr. Gladstone and the promoters of the Northern Pacific were right after all. Why should man break his mortal back in a vain endeavour to sunder what nature had joined, to unite where her eternal barriers had disjoined? The obvious solution of the continental transportation problem was the one set forth so clearly before the Senate at Washington—to build a railway along the primrose path for engineers that lay south of Lake Superior almost every mile of which could give its trucks something to carry, and wait quietly for the Polypus tentacles to grow from its main-trunk in unforced response to the nourishment they reacted to as they felt their way northward into the more juicy parts of British North America, drawing its inhabitants little by little by an entirely painless

## THE NEW DOMINION

process into an increasingly close and vital attachment to the vaster body of a higher, more complex and more richly equipped civilization. A very pretty programme, and quite according to Bright, Cobden, and Gladstone!

Such was not the destiny of the Dominion according to the pattern shown on the mount of vision to Sir John Macdonald, Donald Smith and George Stephen. They saw quite a different fate within reach for the new Dominion. The plains were hers already. Why should she not make a supreme effort to add their natural complement, the forests, mines, climate and sea-shore of British Columbia and round herself off with her proper frontage on the Pacific? That was needed, as the Washington pacificists saw so clearly, not only for the full stature of her completion but for the maintenance of her integrity as she then stood. The two hemispheres of the west, the one on this, the other on that, side of the Rockies were clearly segments of an integral whole. They must stand or fall together. If the new Dominion stopped short of the Rockies it could scarcely fail to break off at "the ninety-first meridian." The question was just what it was represented to be in the lucid exposition set forth to the American Senate, whether there was room or not upon this continent for two distinct though perfectly friendly and mutually fertilizing types of Anglo-Saxon civilization. Was it possible for a new nation to arise in

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the north which should hold up its head and speak a word of its own among the nations, in an accent characteristic of its new ambitions? Or was it the irrevocable decree of fate that the great Union should be all in all, and recognize no limits on that side except the Arctic Ocean and the Day of Judgment, with nothing to the north but a geographical expression, a backyard for dumping, peopled by a scattered retinue of receptive helots, hewers of wood and drawers of water to their rich patrons in the south? Both Sir John and the shrewd authors of the Washington Report were completely at one in recognizing that this was the question, and that the answer was essentially a question of time.

Therefore he did not let the grass grow under his feet, but took the very first opportunity of picking up the challenge thrown down by the patriots of the Northern Pacific and "showing unmistakably" to all the world that Canada did not mean to drop out of the running, but was resolute by hook or crook to have her own British Transcontinental Railway, and every foot of every rail of it on Canadian ground. In the same year in which he wrote to Brydges he concluded a provisional treaty with British Columbia that this latest and most labouringly born of all the Provinces should enter the household of Confederation, on the understanding that within two years of the ratification of the terms of this covenant by

## A BOLD BARGAIN

the Federal Parliament the railway necessary to make the Union a working reality should be begun, and that it should be finished within ten years of the same date.

A bold bargain! There were only 10,000 white people in British Columbia at that time. Would they not keep for a while? Was it necessary to climb the Rockies at that break-neck pace to join hands with them? No one knew for certain in 1870 that it was even physically possible to make good such a bargain at all, much less to do it within such narrow limits of time. Could the railway be built? If so, how long would it take to build it? The steam whistle among the Rockies, "the trip from Halifax to Vancouver," had long been a theme of post-prandial eloquence in Canada. Even in England the imagination of such a solid person as Mr. Roebuck had been kindled by the inspiring idea. But it was plain that the practical difficulties would be tremendous. Along the way to be traversed, if there was to be no trespassing into alien ground, there were two deadly stretches, perhaps totally unbridgeable, certain in any case to hang like a millstone for generations upon the working of the road if ever it was finished,—the four hundred miles from the Rockies to the sea, and the thousand miles to the north of Lake Superior. Of the latter of these stretches nothing at all was known. No white foot had ever left a print upon more than an infinitesimal fringe and

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fraction of its illimitable bog and scaur; the glimpses seen from rare canoes gliding along its few fur-trading waterways were all of it that human eye had lighted upon since the foundations of the world. Only one thing was pretty clear about it. It could never feed a pig, or grow a load for a wheelbarrow. As for the other stretch, that was known only too well. It had been subjected to an authoritative examination. The English Government had sent out a thoroughly competent person, Captain Palliser, R.N., to look carefully into it with a view to its possibilities as a route for emigrants. After four years' laborious exploration that most capable officer had in 1863 handed in an admirable report which shut the door conclusively on all hopes of steam whistles ever arousing the echoes of the British Rockies. So the provisional bargain was very much of a leap in the dark, if not worse. The fact is, Sir John went on the principle that the thing must be done and therefore that it could be done, and that if it was to be done at all nothing but loss of every kind and perhaps disaster could come of putting it off. Therefore he was glad to have his own burning sense of the need for speed reinforced by the exigencies of Mr. Waddington, the inspired prophet and gad-fly of British Columbia. The definite time-limit insisted on by British Columbia did no more, in his view, than represent the actual urgency for Canada. Besides, he wanted a spur

## THE WASHINGTON TREATY

for his countrymen. He wished to commit them as he had done in the matter of Confederation, to confront them with a *fait accompli* without giving too much time for talk beforehand. That was a great principle of his horsemanship with the democracy. His tactics were to put them at it in hot blood—this last deep ditch that yawned between them and consummate Confederation—before they had time to cool, and shake, and stand quivering on the brink, with an ever rising roar of factious wrangling tolling deterrence in their ears and croaking dismal despair from the deep black waters, which there was no hope of clearing except by squeezing all the heart and mind and soul into one invincible spring.

Unfortunately, Sir John paid the penalty of his own indispensableness. For in 1871, just at the time when his provisional bargain with British Columbia came up for ratification in Ottawa, he was not there to steer it through. Sorely as he was needed at home to look after the most vital interests of Canada at its western end, and sadly as these suffered by his absence, this Atlas of ours, on whose shoulders lay both of the far-sundered pillars of our State, was at that moment still more urgently employed in holding up the eastern gable under difficulties. He was busy with the famous Washington Treaty, the seal of a new era of permanent peace and brotherhood between the great English-speaking peoples, and the first

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effective introduction on a large scale into international quarrels of the beneficent principle of arbitration. Everybody knew he was the one man for the momentous occasion. All with one voice urged him to seize the opportunity. They were right. The issues involved were far greater even than the railway. Indeed a satisfactory settlement was the indispensable basis of that and everything else. He went, but with an almost invincible reluctance. Never did he set out on any of his journeys with so sore a heart, or with such heavy forebodings. There was so much to do at home. No one knew how much. No one could be counted upon to get it done except the man who knew how much it was. There was nothing for him to gain in Washington. At a juncture when he had a task in hand for his people which all their faith and trust in him at its highest point would barely suffice to make them look steadily in the face without balking, he could scarcely avoid, whatever he might do there, coming home shorn of the fascination that was his country's best asset at this crisis, a withered attraction, a spent sky-rocket. His going was an act of pure self-sacrifice. "Canada," he said, "had done much for him. It was but right that he should do this much for Canada." Some called him an old ruffian, but he "loved much," nor did his prophetic soul deceive him. He did much for Canada, indeed, but got little thanks for it and

## AN INTERESTED SPECTATOR

no help at all, but, as it proved in the end, in spite of the richest vista of advantage, sheer hindrance for his own immediate work in the west. Washington put a bad spoke in the wheel of the C.P.R. Sir John's pilgrimage there was the real cause of the Pacific Scandal.

One citizen of Montreal who was an interested spectator, much more deeply interested than he knew, of the Washington negotiations was Donald A. Smith. Here, too, he had his usual luck in intersecting the orbit of Sir John at all its really critical points, now for collision, anon for coöperation, and in turning up at all the great games in a front seat. One of the English delegates was Sir Stafford Northcote, Lord Iddesleigh as he afterwards became, then Governor of the London Chief Council of Adventurers to the Hudson's Bay. It was primarily to confer upon business of that Company that the member for Selkirk had left his place in the House, where he too could ill be spared at that time, to meet this envoy of England. But here again, as in many other cases, his more private duties happened in a very remarkable way to fall in with and open out into the larger current of a wide public serviceableness. As with Sir John, it was a pity that he could not be in two places at the same time; but there was certainly no spot on earth except Ottawa where his peculiar gifts could be so useful in those days as in Washington. At one point in the negotiations Macdonald

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was moved with such acute nausea by Northcote and his other colleagues that he had made up his mind to throw the whole thing up and go to Cacouna for a rest-cure. Here was the sort of situation in which Smith could especially shine. With perfect understanding of the irreconcilables, with both of whom he was then on the best of terms, he played the congenial rôle of mediator, and Sir John Macdonald did not go home until he had made what turned out in the long run to be an astonishingly good bargain for his country. But greatly as his share in the Washington treaty redounded to his ultimate reputation, Sir John's immediate influence was severely damaged. The most damaging of all reproaches was fastened upon him, desertion of his own people to truckle to the authorities in London. Other real sins of his, too, found him out just then, especially the aftermath of the Riel Rebellion. He left Washington, as he had justly feared, not half the power in Canada he had been on the day of his arrival there. But an overwhelming weight of substantial results had been gained which might easily have swept away all offences. First, and by far the greatest of all, the temple of Janus on the forty-ninth parallel was shut, let us hope, for ever. The menace of war, by which Canada would have been the immediate and far the heaviest sufferer, had blown by. She might go on building her own and England's railways in perfect peace. Donald Smith

## A PROFITABLE BARGAIN

was quite free now to step across the border and bring in his settlers that way in the meantime, while collecting by the same stroke Dutch bonds and Philistine tribute for the means to open up a more excellent way.

The bargain included one apparently insignificant item, the right to navigate the Yukon River from mouth to source. As the Yukon is now well known to be the modern Pactolus, that little clause has turned out to be worth uncounted tons of gold to us. It was directly due to the presence on the spot of the member for the Hudson's Bay Company whose comprehensive knowledge and foresight does not seem to have left out one single point in the future of his extensive constituency. Apart from the supreme benefit of peace—the one thing then needful, after all—that was something, even the sagacious picker up of fragments and caretaker of the pennies to whom it was suggested by his intimate acquaintance with Robert Campbell of Glenlyon, Chief Factor of the Hudson's Bay Company, and daring explorer of those auriferous streams, did not dream how much, to set against much that was not flattering to our national pride in the terms of the Washington treaty.

Unfortunately, Her Majesty's Opposition chose the question of the C. P. R. on which to make their début in opposing. So far, they had kept step for step with the Conservative leader and worked

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loyally and energetically with him in the making of a nation. The credit of Confederation was as much theirs as their opponents.' But now, before the last decisive step, rigorously exacted as it was in the logic of the process which they had hitherto followed with conviction and fervour, their hearts failed them. They had become weary of following a procession which began to look too much like a triumph for Sir John Macdonald. A distinctive policy had become the great Liberal *desideratum*. They were in the mood to welcome even a poor thing which they could call their own. So the Liberal party made up its mind to unfurl the banner of a penny-wise economy. The cautious negative virtues, "go slow," "let well alone," "cut your coat according to your cloth," were adopted as watchwords when sanguine and audacious action was the one salvation. They figured as the advocates in Canada of the economic theory, the dominance of which in England left her colony in the lurch at the crisis of its destiny, a theory, embarrassing in England chiefly to the nobler functions and higher commitments of the state, but fatally out of place, even in its immediate bearings in the accumulation of lucre, in a country in the making like Canada. Governments, so the doctrine ran, ought not to build railways. If they could not be built on their own bottoms to pay at once, they should wait; and as for that particular railway, it was not only heresy, it was sheer insanity to

## A DOUBTFUL QUESTION

think of it. Whether it could be built at all was a very doubtful question. There could be no doubt whatever that it was altogether outside the range of physical possibility to build it in ten years. The bargain was preposterously one-sided. All the chaffering instincts revolted against it. The other side did not occur to them—the fate of those wiseacres who have put their hands to the plough and then, where a great stone juts or a gap in the earth yawns, not only look but leap back; the costliness of sparing the cup of water needed to make the pump flow. Such considerations did not weigh at all. The essence of the proposal from that point of view was—an impossible rate of speed in an impracticable task, the old task and tale of bricks without straw, demanded of four million poverty-stricken people for the profit of a comfortable ten thousand, at a cost which spelt national bankruptcy for all. The destructive railway would be a mere white elephant, too. If ever it could be acquired it could not be operated. To anticipate the picturesque expressions in which the standpoint, then for the first time set forth, precipitated and immortalized its own eloquent ineptitude at a later stage, the C. P. R. would “never pay for axle grease,” it would run “a streak of rust across the prairie.” Industrious Canada, that happy and virtuous young giant among the nations, would be crushed by it, like the other giants of old, under a burning mountain of debt. The general election of

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1872 was near. The hardy tillers of the soil, threatened by wicked and reckless rulers with an overwhelming load of taxation, might be well excused if they were inclined to think they had earned a rest from nation-building, and had already done enough for the imperial idea by extending from Halifax to Niagara, like a very emaciated foot in seven-league boots, without the further stretching out upon the political rack required to carry their stride across weary leagues of muskegs and wild "seas of mountains" to such totally unknown quantities as the plains of the Saskatchewan and the redwood forests of British Columbia. Their sorrows became the commonplaces of lamentable eloquence on the Liberal side of the House before they dissolved into a sheer flood of heart-subduing pathos under the still more glowing inspiration of the hustings. It was easier, and in many cases quite honestly more congenial, to sympathize with the natural lassitude than to enlighten the ignorance and kindle the embers of courage and imagination in such a constituency.

Never, surely, was there such a concert of howls to hail the sunrise of a fresh and hearty workaday morning, never such an orgy of lugubrious vaticination so signally and superbly falsified by the event. As usual in such cases, it was not the resistance of nature, tough enough as that was, it was the little faith and malice of man that really stood in the way. In spite of yeoman's service on the prophets'

## AN IMPERIAL GUARANTEE

part at every stage to load the dice and help their predicted woes come true, the horrible thing did get built—none the more quickly or smoothly because the gratings on those scranell pipes of straw managed to drag out its overture for seven years—once the first step of all had been taken in the teeth of wails, it got built not in ten years but in six. The prairies are a garden now and a bread-oven, with the Canadian Pacific for a gridiron over them. Canada and the man who had faith in Canada have survived “its fashioning.” Even if they had not, it would have been a very respectable mausoleum! *In magnis voluisse sat est.* In such great things merely to will is more of a deed than to have been the wisest, sharpest-eyed of prophetically buzzing and hindering “flies on the wheel.” In this C. P. R. deal Sir John did some things that need forgiveness. No true Canadian will withhold it, *quia multum amavit.*

That Greatheart was right. We can all see now that the safe and economical policy would have been the bold and generous one. The merit was to see it then. England might and should have helped. At Washington Macdonald pleaded for an Imperial Guarantee, which would not have cost the old mother a penny, but would have enabled us to borrow our money at a cheaper rate. She wavered, but at length refused. The milk was spilt when it was as good as in the pail. Well, it was no use crying over it. The thing had to be done. To leave it undone

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was to leave a long seam without its knot, to save money on the last stone which keeps your costly temple, already past its battlements, from falling to pieces like a house of cards. Canada was quite abundantly able to do it, for herself and England, "on her own." There never was a moment afterwards when it could have been done more cheaply. To weep over difficulties was to create the greatest of all, despair of the republic, bankruptcy of belief in the country's power, after she had already gone so far, to climb to the peak and key of the arch of her destinies and fix the flag there. Delay might well have been deadly. No thanks to the watchful waiters that it only proved in the highest degree expensive. It retarded the development of the North-West by a decade at least. Tens of thousands of Britons, whom we wanted more than the excellent foreigners who have since come in their place, many men of our own blood and speech went further and fared no better, for the simple reason that England would not stir a finger, and Canada was afraid to break her back in making the road which would no doubt have shocked John Bright, but would certainly have bred a great accession, not only to the crop of wheat, but to the still more needful Cadmus crop of fighting young John Bulls.

Sir John had left the C. P. R. on his departure to Washington a thorny question enough. On his return with diminished prestige, he found it had grown into a perfect bramble thicket with his

## THE RAILROAD FEASIBLE

railway hopelessly entangled in it. He resolved to hack his way through and save the political child of his old age at all costs. He had no intention of leaving it to the tender mercies of the Grits. They had made it clear that they would not break their hearts about its fate. He foresaw that their way with it would be to retire a bow-shot off, to attend to more interesting business, and quickly let the child die. By fair means or otherwise, he decided that the next election must be so conducted as to keep them out of office and send him back to it. Meantime, there was one more session to come and go upon and to make the most of. Something had been done already. Preparations had been made for a survey of the ground. Mr. Sandford Fleming, favourably known as the engineer of the Northern Railway connecting Toronto with Lake Huron, and also of the Intercolonial, had been named as the head of it, and on the twentieth of July, 1871, the very day when British Columbia formally entered Confederation, exploring parties had begun their work in the heart of the new province which had got such a desperately bad name from Captain Palliser.

Sandford Fleming was more fortunate than he. By 1873 he had handed in a report establishing the feasibility of the railroad. Though he had not traced a clear line through the sloughs, he found no fewer than ten openings in the mountains by any one of which the railway could be carried to

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the sea. Among these he gave the preference to two, both by the Yellowhead Pass. One ran along the North Thompson and the Fraser to Burrard Inlet, a route which he had explored sufficiently to make certain that work could safely be begun there at once with good hope of bringing more light as it advanced; the other, preferred by the people of Victoria, made its way from Tête Jaune Cache northwards by the course of the Fraser, then curving southwest by a series of river valleys to Bute Inlet, whence by bridge over the Valdar Strait it could go on to the great naval base of Esquimalt. This was good tidings indeed from those dread mountains. Their secret had been wrung from all the terrors of earth and sky—jutting rocks, raging rivers, tangles of huge trunks and undergrowth over dizzy trails where one false step meant death, over which no mule and scarcely a cat, not to speak of a horse, could creep along, failing supplies, driving rain and untimely snow-falls. A good beginning had been made, which is the full half of any work, and the light brought in without which no man can work. The gift was doubled by being given quickly. The bold terms of the bargain were so far justified. By the end of the two years specified it was now known that construction could begin without the fear of encountering insuperable obstacles as it went on. It was quadrupled by the tone of ringing cheer in which it was given both by Sandford Fleming

## “FROM OCEAN TO OCEAN”

and by George Monro Grant, chaplain to the chief engineer's party, afterwards principal of Queen's University. No better book has ever been written about the North-West than this bold chaplain's "From Ocean to Ocean." It makes good reading for Canadians. From cover to cover it is an expansion of the words of cheer once spoken long ago, at a like turning point by those other real men and true spies who had also to inspire with faith and shame the crawling spirit that dare not seize its own:—" 'Tis a goodly land. Go up and possess it. Ye are well able."

There followed the unsavoury Pacific Scandal, and the advent to power of the Liberals under Alexander Mackenzie. This canny Scot was not long in making clear his determination to go slow. The bait thrown out by the new ministry to any would-be company, with its characteristic substitution of retail for wholesale methods—\$10,000 in cash and 20,000 acres of land for every mile of rail laid, along with a rather indefinite guarantee—did not bring a single nibble. Reluctantly the public works department, directly under the mild and searching eye of the master himself, began to tackle the long job. Beginning at home with a line which then already ran from Ottawa to Pembroke, they prolonged it to an angle of Lake Nipissing, letting out at the same time a contract, afterwards cancelled, for a branch diverging from the Pembroke Junction towards the Georgian Bay. The

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next point pierced by the very thin end of their wedge, or say rather by the other leg of their far-straddling compass, was Thunder Bay at the western end of Lake Superior, the weary endless gulf of cliff and moorland that yawned between being left to a more convenient season in the blue distance of the future. From there to Fort Garry there was a comparatively soft snap of 422 miles with innumerable waterfalls and reaches well known to old Vérendrye, in more recent times explored and reduced to a communicable system of sorts, at least for summer travel, by the immortal Dawson. Contracts were let out for the bulk of this portion. It was a remarkable case of patching an old garment with a beautiful new piece of cloth. The Dawson road was beyond redemption. Had not soldiers, in the eyes of that government, been the most foolish of all the frills of the dark ages, they might have saved some of their tightly-grasped coppers by asking Sir Garnet Wolseley's opinion of that sweet summer road. He knew every foot of it to his sorrow. He knew its exact value for the reels when they were summoned by a pressing call to Red River, as his had been, to deal with a summer fire there. A winter one would have been as accessible in Kamschatka.

These well meant efforts were aimed at Donald Smith's constituents of Selkirk. Winnipeg was the first mark, being the one fairly populous centre in the West and, therefore, the one place there which

## STERN ECONOMISTS

had any sort of political-economical business with a railway. However, such an extremely tentative and deliberate approach of their aspirations towards connections with the East did not stir any very fervent gratitude towards their Canadian rulers, especially as somewhat inconsistently, on his own theory of following population, the premier had decided upon a line for the C. P. R. which was going to give them a very wide berth indeed. That line had been so laid down by Mr. Sandford Fleming, simply concentrating, of course, on his own engineer's point of view, and looking for the very shortest possible cut, so as to cross the Red River at Selkirk, thirty miles to the north of them, and Mackenzie had no intention of deviating from that shortest distance between his two points which also had the advantage of sticking close to his beloved waterways. So far as intercourse with the great cities of Canada was concerned, Winnipeg and Portage la Prairie and the few other little settlements already in the West were to be side-tracked forever and stranded high and dry away from the currents of Eastern civilization; and this, too, by the stern economists to whom no doubt their very existence was an irksome embarrassment, but who might, on their own principles, have been expected to have a warm side for the only bits of towns—handfuls of minnows in a great mere as they were—which had ever shown the slightest signs of becoming centres of population in the

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whole vast British wilderness between Ottawa and the Pacific Ocean. How then could they escape being thrown into the arms of their Southern neighbours? Must not Winnipeg become to all intents and purposes a city of Minnesota? That contingency was contemplated with philosophic calm by those cool-headed Cobdenites. The administration was quite free enough from all narrow national prejudices. Only they must not be hurried. They would extend a branch from their main line at Selkirk southwards to St. Boniface and from there to Emerson on the border just as soon as the American Northern Pacific system had on their side completed their projected spur. They were quite well aware that the business end of that branch would be the southern half of it, not the portion between Selkirk and Winnipeg. What of that? It was the scientifically necessary conclusion from the geographical and economic premises, and who were they to kick against such pricks? Enough for Winnipeg that the glorious Pembina branch, so long the vision of their mere eupeptic dreams, was soon to become a sober certainty of waking bliss. The old sorrow of Fort Garry, the immemorial isolation which had been the burden of the half-breeds' complaint to Governor Simpson, was to be rolled away. That would keep the Selkirk voters true to Alexander Mackenzie's very good friend and "independent" supporter, Donald Smith. No more plaintive ox-carts, or lumbering

## THE MACKENZIE ADMINISTRATION

stage-coaches, or flat-bottomed Internationals "that could float on a heavy dew," on the long way to good old St. Paul's! The great Northern Pacific net-work would pretty soon throw out its steel threads to whisk them in a trice into its parlour—its stores, and saloons—and the great spider should have every possible facility to make sure of catching them that an enlightened devotion to the purest milk of the doctrine of unfettered international exchange could supply.

Now, by a curious turn, just at this point came in the chief service done to our transcontinental railway by the Mackenzie administration—whose strong point, as we have already seen, can scarcely be said to have lain in railways. The service consisted largely in that spacious leisureliness we have had occasion to remark on. It was in the highest degree fortunate for Canada that a policy which was no doubt well calculated in some respects to serve the immediate interests of Winnipeg, but still better to accelerate the development of the American West, should have been so wonderfully free from the reproach of precipitancy. No unseemly rush was made by our board of works upon the long-expected Pembina branch. In 1874 a start was made with it; a contract for grading was let; operations soon languished, however, and in 1876 they were discontinued, pending the still missing link and hook on the frontier needed to give full effectiveness to the chain. As a matter of

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fact the impatient Winnipeggers had to wait till the ninth day of December, 1878, before the half-breeds' petition to Governor Simpson was granted at last, and the first regular train from St. Vincent puffed into the station hard by their ancient cathedral of St. Boniface.

Montreal had come to the rescue both of Winnipeg and of Seattle. Mackenzie's real contribution to the C. P. R. was at last apparent—the benevolence with which he encouraged, or at least refrained from active interference with, the zeal of his independent supporter, the member for the Hudson's Bay Company, who had done more than anyone to help him into his seat, in the promotion of transcontinental communication and especially in bringing his own sequestered constituency into living contact with the great world. Smith's knowledge of the country and unshakable belief in it, his unerring power of picking out the man to work with, had enabled him at a trifling expenditure of money to lay the true foundations of the C. P. R., and of the American Great Northern as well, in the capacity and character of their heads, the only rocks in the last resort on which any work of human hands can be made to stand. Our neighbours could easily have supplied the brains required; they had to import the honesty. Smith met their sore need. Much to their profit as well as ours, and not without a commission for themselves, he and a group of very judiciously selected friends

## THE ST. PAUL AND PACIFIC

of his, Hill, Kittson, George Stephen and R. B. Angus, then general manager of the Bank of Montreal, got firm hold of the St. Paul and Pacific railway, christened by them, after the good washing it loudly called for in consequence of its long contact with the complicated defilements of its parent stock the Northern Pacific, the St. Paul, Minneapolis and Manitoba railway. Smith, Hill and Kitson, who had for some time been doing their best, mainly by means of steamers of the lightest conceivable draught, to enliven commerce along the banks of the Red River, had fixed their eyes ever since August of the year 1873 on that hopelessly water-logged prairie-schooner rushing on short-circuited rails. Now, with the help of the true Montreal financial potentates which they had long solicited in vain, they had firmly closed the fingers of both hands around it.

In August of the year mentioned, the forlorn waif they felt moved to take to their fostering bosoms had fallen under the tutelage of a certain Jesse P. Farley, well named by the United States authorities as its "receiver." Reception proved to be this gentleman's strong point. His energy in receiving was indefatigable. The enterprising river-side trio, on looking more closely into the details, soon found that he could be useful to them. The property they wished to acquire had come by that time to consist chiefly of mortgage bonds. Some quaint caprice, such as the soundest usurers

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are prone to have, led certain Dutchmen to lend a vast amount of money on the security of the lavish land-grants held by the railway. Holland was not so familiar with locusts as Egypt and the north-west of this continent, and these rich tulip-growers had not counted on such rude forestalling of their harvests as had often left Selkirk's Highland settlers mourning. These years happened to be marked by an unusual virulence of the old plague. The Dutchmen had quite lost heart and were in such a state of thorough disgust with their wretched bargain that their one object in life was to hear the last of it, and Farley, who knew just where the bonds could be picked up, was perhaps still more serviceable on account of his precise acquaintance with his clients' state of mind as to the worth of the land upon which their value rested. All this knowledge he put freely at the disposal of his customers. He was doubtless well paid for it. One might not be so sure of this had he dealt with Donald A. Smith alone. Smith had learnt in the Hudson's Bay Company to give and take service very coolly, and especially was not inclined to over-estimate the debt due on account of that sort of work. But George Stephen had at length in 1877, along with Angus, seen with his own sharp eyes the country Smith had always raved about; the two had gone there to look after a bad debt of the Bank of Montreal, Stephen being its president and Angus its general manager.

## AN UNWARRANTED CLAIM

They had tossed a coin to decide whether they should visit St. Louis or St. Paul, had gazed upon the prairie whither the lot had happily sent them to the kindling of imagination and the hanging up in their minds of a picture that was never to fade there; and any one who has the faintest impression of George Stephen, that least niggling of mortals, will see in that single fact a perfect guarantee that Farley was fully compensated for all the substantial help his position as receiver had enabled him to give, as well as for all the moral wear and tear involved in giving it. No one ever bestowed his brass upon George Stephen without getting gold back for it. Our confidence in Stephen's belief that Farley had got quite enough is not in the least shaken by Farley's own conviction that he had not. He was a person ranking in the scale exactly with our former friend McMullen, according to whose lights the standard for estimating his own share of honey was fixed by what he thought he could produce in the way of malodorous smoke to dislodge the bees. The courts, however, naturally declined to accept their petitioner's view of their judicial functions in the fair division of swag and refused to go into the pathetic claim of the self-accused "fence" that decent men had employed his services in a burglary. The profits of the alleged collusion were disallowed. Repeated trials failed to establish it, and in any case the claim was vitiated by the "inherent turpitude of its basis." The poor man

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made nothing by his tearful proclamation from the house-tops that he had sold himself as well as his trustful Dutchmen, and had been paid for it at an even lower price than he had got them for their bonds.

A higher kind of aid than Farley's, which has been the subject of even more stupid comment than his, came from the Bank of Montreal. That was of course secured, though not without stormy opposition from some of the directors to whose full consideration it was duly commended—through the president and general manager of that main pillar of our national prosperity. The bank soon got its money back. It had never in all its history done such a stroke of business for the country, or flushed the mill-lades of such a fabulous success. There had never been anything approaching to it, even on the Eldorado of this continent. The grasshoppers, who had scared the Dutchmen into dropping their pie-dish, vanished forever the very moment Smith and his friends had caught it ere it reached the ground. Two days after the railway, which had been aimed at the conquest of Canada, had come into the safe hands of those five Canadians, three of whom were to use it as a basis for still vaster operations in the architecture of Canada and Britain, its sleepy platforms hitherto rank with weeds were piled high with settlers' baggage and full of the buzz and murmur of swarming, fervid, sanguine human life, as a lime

## HILL'S GREAT ADVENTURE

tree on a summer noon is all one round and leafy hum of bees. On one side, at least, Winnipeg was open to the keen life-giving tide. The profits of the St. Paul, Minneapolis and Manitoba railway were the wonder and envy of all America and England. They were as wisely laid out in the improvement and consolidation of the road as they had been fortunately acquired. In spite of setbacks, due to later American follies, the Great Northern became the solidest asset in the whole vast total of American railways. James J. Hill might well say of it in his valedictory address to its shareholders on July 1st, 1912: "Most men who have really lived have had in some shape their great adventure. This railway is mine."

On that side, then, Manitoba's dream had come true; and a great step had been taken as well, though that did not yet appear, towards its still unfulfilled aspirations on the eastern side. Without earning any gratitude for it, Mackenzie had contrived for them to "build better than he knew." Their feelings towards him may be guessed from a scene in which Donald Smith took part. In March, 1875, the prime minister was visited by a deputation, which had come all the way from Winnipeg headed by his good friend and admirer, the member for Selkirk, and which proved that it reflected an absolute unanimity of opinion prevailing there by including John Christian Schultz as one of its members, running for once in couples on the same

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quest, and lifting up his voice in unison, with Donald Smith. They might as well have bayed the northern star, at least on one of the subjects that came up. The main business was a much desiderated bridge over the Red River. On that point their host was, not indeed expansive, but still fairly amenable. But when they referred to Winnipeg's loss by the choice of Selkirk, thirty miles to the north, as its metropolitan junction, the incorruptible premier told them he was sorry, but that a straight line being the shortest distance between two points, the main line of the Canadian transcontinental railway should not deflect for Winnipeg, or even for Smith, one inch south of its bridge at Selkirk. As to that, Fleming and he were both immovable. He would not satisfy the thousands of Winnipeg by dissatisfying the hundreds of thousands of the rest of the Dominion. He would rather give them a present of \$1,000,000 out of hand than turn aside to the right hand or the left. It is not strange that the iron man had no equestrian statue to commemorate his upright rigidity in Winnipeg.

On the whole, then, one may perhaps venture to say with some confidence that the showing of the Liberal administration was rather a poor one for their five years' shift. One hundred and four miles of railway west of Thunder Bay, some miles again east of Selkirk, and the Pembina track laid but very far, indeed, from approaching real completion

## MACDONALD'S RETURN TO POWER

and sound working order—that was about the sum total of their achievement in this business. The real knots in the log, the Lake Superior and the Rocky Mountain *crucés* had not been touched at all. The Liberals had served to point a moral if they had not done much to adorn our Canadian story. The vastly greater facility of criticism than of production had once more been signally demonstrated by them. It was soon seen that if they had displayed much energy and resource in upsetting the Conservative apple-cart—a load of somewhat tainted apples, it is true—they were likely, too, on their side to let much good fruit rot that might have gone into our market-basket, and to drive many of our labourers away to take the wages of alien vineyards. During these lean east-windy years one-third of our Canadian-born had to seek their corn and living in the Egypt to the south of their own native land. And who shall say how many Britons born, lured away by the touts that swarmed in the snug, well-heated cars of the Northern Pacific, wandered abroad to enrich the heritage of the stranger.

In 1878 Sir John Macdonald returned to power. He had always been too busy with political practice to think very deeply for himself about political theory, and was even less tempted to bolt whole and give forth by rote the dubiously applicable formulas of other thinkers. So he instituted his picnics. As they went on he convinced others and

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waxed more and more bold in his own conviction that the hour had struck for that great Canadian economic sacrilege and defection from the authority of academic "by-standers," which threatens now to become an epidemic. It was, of course his National Policy that won the day for him; but he had not forgotten his railway.

For a time he went on in the ruts he found. The C. P. R. was still under the board of works. The force of the legacy of stagnancy seemed to some extent to be unbroken. But there was for all that behind the old methods a new energy which inconspicuously transformed them, and an obvious rise in the temperature generated by them soon made itself unmistakably felt. It was the same pool, but it had begun to boil; the same old road and coach for some two years, but with quite another hand at the ribbons. For one thing, as early as 1879 the general public rubbed its eyes one morning to discover that Montreal—no less!—had been fixed as the terminus of the C. P. R. Hitherto it had always been understood that that honour was irrevocably reserved for the angle of Lake Nipissing. In other words, the outside limit of projection to the East which the maddest projector had ever dared to think of fell short, it appeared, of the new administration's scale. "Well," said they, "is not this an interoceanic railway? Interoceanic it shall be, too, both literally and, if one may coin a new adverb

## A NATIONAL UNDERTAKING

to do justice to an unheard-of railway, literally as well. It shall justify its name all the way up to the foot of the letter and up to the very edge of the *litoral*, so nearly, at least to the wash of the sea shore that great ships after once loading from its freight-trucks shall not unload again on this side Liverpool."

This brings us to the second change in the movement along the old grooves that let the new cat out of the inherited bag and betrayed the stirrings of quite a different spirit. In the summer of 1879 Sir John, accompanied by Tupper, now his minister of public works and railways, made one of his pilgrimages to London. An idea had occurred to these two. By the act, if not by the choice, of the Liberals the railway had once more become what Sir John had originally meant to make it, and, as we saw, could once have made it to considerable advantage, a national undertaking. Why, then, should it not be owned in its real character as an Imperial undertaking also? Why should not Canada reap the benefits of the new position, as well as suffer all the undeniable and great losses necessarily inherent in it? England had as much at stake here as Canada. Why should she not pay her just share? So they boldly applied for help at headquarters. Had their petition been made in 1871, the day after the Washington treaty was signed, when the front treasury bench had been almost persuaded for a

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moment to drop the orthodoxies of their Gladstonian mammon worship, in that one happy hour of generous shame the prayer could scarcely have been made in vain. But all that had been forgotten long ago. What politician's memory of benefits received goes back eight years? It was too late. The same weighty considerations which had prevented Mackenzie and Cartwright from making it cut off all hope and possibility that the request could be granted when for the first time it could at length be made.

So the disappointed suitors saw there was nothing for it but to turn their backs upon those churlish stores of bursting wealth, and with empty hands but undaunted hearts, to help themselves and their refusers out of the widow's cruse at home. They set to work with renewed vigour. Quite on the old lines to begin with, though not at the old snail's pace. Accepting, as Mackenzie had, Fleming's route by the Yellowhead Pass to Burrard Inlet, they made the long-expected start upon the British Columbia bogey and pushed lines from Yale eastward to Kamloops and westward toward Port Moody, thus tackling the plainest bit of their sailing in that quarter by way of encouraging commencement. Next they turned their attention to the needs and cries of Winnipeg. Rainy Lake was one of the long reaches of Dawson's road of two-fold sorrow which had been assigned to the miseries of water-carriage.

## RUSHING WORK ON THE C. P. R.

This bridge of tears was now traversed by consolatory steel rails, and so one sad gap of the pilgrimage between Thunder Bay and old Fort Garry was fitted up for winter as well as for sparse and woeful summer traffic. To the delight of many a mourner in Winnipeg, too, a more excellent way was taken with the Pembina branch. Smith and his Montrealers had reached the forty-ninth parallel at last. Now, in March, 1879, most advantageously to Winnipeg, they got the arrangements made which in Mackenzie's day had been somewhat spitefully foiled, as we have seen, by Sir John and his dregs of irreconcilable conservatism in the Senate. A bargain was concluded which gave them running-powers and the right to put and keep things in decent order on the Canadian track, which Upper & Company had graded, ditched, and laid, but left without ever a water-tank or a turn-table and generally in an intolerably half-baked condition.

To retrace that story in a few sentences: In February, 1878, all the outstanding bonds of the St. Paul and Pacific railway, that sink-hole of Amsterdam guilders, consisting as it did then of a road not more than 360 miles in length, were in the hands of Smith, Stephen & Company. In that same year, while the road was still in the hands of our friend Farley, the new bondholders obtained an order of court giving leave to extend the line from Glyndon, its then northern terminus, to

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St. Vincent on the border. On the third of December following they were met by the C. P. R.; the last spike of the Pembina branch was driven on that day. On the ninth of that eventful December, as has been mentioned already, the first train from St. Vincent steamed into the station at St. Boniface. It was a great day in Winnipeg, celebrated there with good reason as a decisive turning-point in the history of transcontinental transportation. But there was still much to do. A line without water-tanks could scarcely be called a perfect convenience. The fur-trading philosopher and sage of Fort Garry was not yet in the saddle astride of his own iron horse. The St. Paul and Pacific had not yet suffered its change into the St. Paul, Minneapolis and Manitoba. The blithe event took place no sooner than the twenty-third of May, 1879. On that fair May morning—end of a long winter of discontent and earnest of much more amazing summer and harvest joys than could yet be foreseen by any presaging soul of mortal reach—the mortgages were foreclosed and purchased by the new company, Smith and his associates. Thenceforth Winnipeggers could breathe more freely an air that must be for ever the air of *British* freedom. This whole American system with its twin lines, the one from St. Paul running north-westerly to St. Cloud and then west and north to St. Vincent, the other from Minneapolis due east to Benson first, thence northerly to Breckenridge, was now in

## A FATEFUL STEP

the hands of Canadians. The London *Times* of those days spoke more truly than it knew when with a felicitous stroke of English ignorance it nicknamed the road which had at last fulfilled the aspirations of Governor Simpson's unproductive but importunately petitioning half-breeds "an obscure Canadian railway." But the end was not yet. Six full years had still to come and go before the links of union between Manitoba and the mighty world were fully forged and finally made fast. That did not happen till Smith's "crowning mercy" at Craigellachie, in 1885, on the fifth day of November—no less pregnant a date for him than the third of September was for Oliver Cromwell—when the owners of the "obscure Canadian railway" had been swept on by its impetus and their own valour all the way up to the *coup de grâce* in the despatch of another Canadian railway which even by the standard, of *The Times* can not be called obscure by any man.

However, all this invasion of hostile territory, as well as the other progress nearer home which has been faithfully detailed, though good enough so far as they went, were not enough to satisfy the protagonist in Ottawa and amounted to no more than a successful début and promising send-off for the Montrealers. In 1880 a fateful step was taken which at length brought these two sorely estranged but indispensably complementary powers together. In that year Sir John grew weary of government

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construction. That had been first withdrawn, then, in the very nick of time when he was caught in the split of the tree that grew the fairest fruits of it, which he could have had by stretching out his hand to take them, spoilt for him by his rivals. It had next been taken up reluctantly by them and had been left him as a rather embarrassing bequest in their last will and testament. But now that he had found, to his grief but beyond all question, that the one great incidental gain, once, as it had seemed to him, easy to extract from this otherwise cumbrous and unexpeditious method, had turned to sour grapes on his hands, this shifty reynard bethought him of the other way, the shorter one, of private contract, which also the Liberals and McMullen had barred against him for a season. They could not, as we saw, entice capital to flow into it by any allurements they ventured to offer. Sir John knew well enough that slave-driving was not the forte of any Canadian government. Gangs of navvies need, besides plenty of pork and potatoes and the tongue of an Irish boss, the master's eye and shove—the eye that is sharpened and the shove that is weighted by the lure of quick returns and the spur of steep ruin. They will not and cannot do their best for the talking and walking gentlemen in top-hats who are keener to pull their ballots than to get them to push their wheel-barrows and ply their pick-axes with might and main. Then in public works there are the tardy

## THOUGHTS OF SYNDICATES

government contractors, apt to be the spoilt children of the government, with their long rakes—terrible consumers of axle- and as sparing of elbow-grease. So the premier's fancy began of nights to turn to thoughts of syndicates. This direction of his meditations was encouraged by his minister of railways. Tupper was quite willing to get this particular sleepless item of his portfolio taken off his hands as much as possible. So, in July, 1880, these two took ship once more for England.

That they were steering a course, not for Downing, but for Threadneedle Street this time, appeared to be indicated by the company they kept on board. To see them one by one or both together, as sea-legs varied, pace the decks with John Henry Pope, who was Sir John's shrewd Eastern Township confidential legal adviser and, except, perhaps, his brother-in-law Dr. Williamson, of Queen's College, his very best friend, was no surprise to anyone at all acquainted with them. But when some inquisitive saloon passengers from Montreal observed that two faces which they knew very well indeed as familiar ornaments of their own streets had been elevated all of a sudden to converse cheek by jowl in that high fellowship, they began to smell a rat. What had happened to George Stephen and Duncan MacIntyre, both of wholesale cloth-importing fame, that they were walking day by day and hour after hour arm in arm with the two foremost ministers of the Crown?

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Was there any mysterious virtue to confer a patent of nobility in dry goods? Perish the thought! Not the sort of carriage that a sweeping lady's train can improve, but railway trains and carriages were the key to the enigma. George Stephen, simple as he seemed in his handsome neatness, was president of the last golden wonder of the age, the St. Paul, Minneapolis and Manitoba, as well as of the Bank of Montreal, which also was very much to the point, while for many years past it had not been so much the draper's yard-stick as the stock-quotations of the Central Canada railway, the tight little line that ran from Brockville to Pembroke, which had filled the auriferous hours of Duncan MacIntyre. Railway business then it must be that was the subject of the earnest discussions by help of which these great ones were daily and nightly whiling away the tedium of the voyage. What railway? By heavens, 'tis the C. P. R.!

John Henry Pope's quick sight had caught the gleam of millions. This Joey Bagstock of the Canadian bar had pointed out to his illustrious client that the Minnesota victors were the very men for Tupper's syndicate. They had just cut their juicy pie. Now, while they were in the humour for railway pie, was the time to take them. Their pockets were bursting with American Pacific eagles. "Let us grab the lion's share of them," said he, "instead of freezing, at the very moment that it is hottest, that good metal that is burning

## IN SEARCH OF MONEY

holes to drop out in richest lard upon the axles of our Canadian Pacific railway." "So far, so good," was his cautious leader's reply. These Canadians would do very well to start with. Along with MacIntyre to make the Pembroke and Brockville link of the eastern extension tight, they would be invaluable so far as they could be stretched to go. But they could hardly be reckoned on to go the whole long way. "Let's come to a provisional understanding with them, then take Stephen and MacIntyre—they, on the whole, are the most presentable—to London, and grope about there for more money." Hence, the resplendent quincunx of political fixed stars and financial planets that seemed to be reflected a million times over in the phosphorescent furrow of white and green which boiled and hissed along the bows of that good bark of Allan's and roused such curious speculations in the saloon.

For any immediate luck they had in the city, the distinguished visitors might have spared themselves their portion of *mal de mer*. The government had fought shy of them last time. This time the bankers proved little more sympathetic. Captain Palliser's report had not been published in a corner. A wild-cat mine in the Cordilleras would probably have gained a more attentive hearing just then than a Rocky Mountain railroad. The Rothschilds and Barings both shook their heads. The only London house which could be prevailed

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upon to go in at all with the Canadians was the secondary one of Morton, Rose & Company, whose example was followed by the Parisians, Cohen, Reinach & Company, drawing along with them the Hamburger tail of their Hebrew kite. Not until the railway had already come to stand there visibly as an almost completed asset—by the time, in fact, when only a gap of one hundred miles of it still remained for filling in—did English financiers begin to assist, or English investors to buy stock at all freely. The fact is that scarcely a yard of the most crucial of the railways of the Empire was paved with English money, or even with English good intentions and good-will. From that quarter no boon winds blew—only the chilly old blast that bade us look before we leapt, and not only reinforced the discouragement of which we had enough and to spare at home here, but almost blew our heads off besides with positive material hindrance. The credit of the achievement belongs exclusively to this continent of our own. For though the names of the London Morton and Rose were on the company's paper, the green-backs came at the peril of Morton and Bliss, the relatively independent American end of the house. So far, then, as the direct outcome of his journey in such fine company went, George Stephen might just as well have been trying as usual, instead of wasting his salt, elsewhere acquired, on these shy birds' tails, to catch salmon in the pool afterwards called Sir

## THE GRAND TRUNK RAILWAY

Donald after Smith, his wisely-latent cousin, and breathing the briny pine-scented air of his fishing lodge where the Grand Métis River leaps from its high water-fall into the sea. However, he did have something more than his trouble for his pains. The London bankers had got to know him a little, and to know him even a little was to trust him for life. The way had been paved for "better luck next time"—the many next times he came back well-laden from their reluctant doors. That day, however, there was "nothing doing" there.

One last desperate attempt in another quarter met with no better success. The Grand Trunk railway was the most English thing in Canada, not merely in ownership, but also, to the sorrow of its shareholders, in point of place and manner of management, being then worked entirely by the omniscience of London. Naturally enough, then, as it had only too good reason to think that Canada had barely room in it for one railway and could only bankrupt two such, the G. T. R. was all along the most bitter enemy of the C. P. R., in relation to which it repeated at all points with astonishingly precise exactitude the ancient rivalry of the unregenerate Hudson's Bay Company with the bold Montreal Nor'-Westers, who taught it its trade, reduced it first to impotence, and then, by joining it, to efficient working order. In spite of all this, those latest-born Nor'-Westers, pilot-birds of the C. P. R., resolute as they were to catch worms

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even under the most unlikely stones, were so hard put to it after their repeated failures that they applied to the president of the opposition, Sir Henry Tyler. It was precisely like one of the great MacTavishes or MacGillivrays at the brazen gargoyle of "tap-root" Governor Behrens' door knocker, come with hat in hand from his wilds to solicit alms for the erection of that high hall adorned with Thompson's map on the banks of the Kaministiquia River. Tyler did not rudely turn his back upon them. If they would only consent to 'drop the Lake Superior section and build south of the Lake instead—that is to say, in United States territory—he would think of it. Otherwise he flatly told them he could not touch the thing at the end of the longest pole that could be cut among the tallest cedars of the Rockies.

How pleasant it would have been for Louis Riel and his second litter of rebels in Saskatchewan—not to say for our good friends the Americans, who had held up Garnet Wolseley at the Sault for the benefit of the first batch—if they had consented to this patriotic modification, we shall see. It was not Tupper's merit that they did not. For the first and last time his heart quailed. Things had got to look so blue that he strongly urged the necessity of giving way.<sup>1</sup> But Sir John, to his eternal honour, stood like Craigellachie. No more *Chicora* incidents

<sup>1</sup> Sir Charles' own story of this will be found in his "Recollections," p. 140.

## A FINE STAND

for him! It was a Canadian Pacific railway. Every foot of it must be Canadian and British. So monstrous a slab of guilt must not be taken off any gingerbread of his baking. That was a fine stand of the Chief's in the face, pale for once, and in the teeth, that had just that one time lost their hold, of his trustiest and boldest henchman. Let us not forget that this fatal and ignominious condition, now for the second time<sup>1</sup> demanded by the most English of Canadian railways at the heart of our Empire as the price of coöperation in the greatest of Imperial enterprises, which it would have shorn of all its strategic value and more than half its lustre, would have been tamely swallowed even by the most resolute of allies, and was repudiated only by the indomitable faith that stood foremost and alone.

There was one other much less objectionable clause suggested by some of the English capitalists as a *sine qua non* to any bargain; viz., a four per cent. guarantee from the Canadian government. From the English government they knew it was no good to look for such a thing. Whether with good reason or not, this, too, was declined. We know now there would have been no danger in it. At that moment nobody could say so with confidence. The guarantee would no doubt have been formally

<sup>1</sup> The G. T. R. had been tried by the Macdonald ministry soon after their entry into office in 1878 and had then insisted on the same obnoxious stipulation. Hill revived it for the third and last time, as we shall see.

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inconsistent with the stage of the proceedings which had now been reached. The thing had become a private affair, at least on the face of it. But in point of fact Canada the colony, if not the Empire, was really behind it, whether or not the fact was acknowledged on paper. There was, perhaps, some remnant of the prevalent economic pedantry in the dread of financial *contamination* and mixing up of disparate quantities, which shrank from a proviso that was substantially inherent in the nature of the case whether it was put down in black and white or not.

By October the seekers after corn had made the port of Montreal again. The sacks they brought from Egypt were flaccid, but no disappointment was allowed to lower out of those cheerful faces bronzed with the breeze and sanguine with the sea air. A contract was speedily drawn out, dated October 21st, 1880, and subscribed on the one part by Charles Tupper, on the other by George Stephen, Duncan MacIntyre, James J. Hill, John L. Kennedy, Morton Rose & Company of London (really New York), and Cohen, Reinach & Company of Paris. One signature seldom lacking by the side of Stephen's and Hill's was felt to be conspicuous by its absence. It was not yet Smith's appointed time. Ninety-nine per cent. of Sir John's rank and file would have spurned the faintest suggestion that their idol could possibly be on as much as nodding terms with the renegade

## THE C. P. R. CONTRACT

“independent.” Sir John was, however, perfectly well aware that his favourite stone of stumbling, which he never missed a chance to chip in passing with the light hammer of his rather inexpensive jeers, was there all the time at the foundation of the favoured company. He was very well resigned to the unflaunted fact. He had reason to know that there was not another man in Canada who could more ruinously be spared from a task which needed every ounce of energy, steadfastness, sagacity and wealth that could possibly be brought to bear upon it. He was much more sensitive to the colour of money than to the odour of it. Where he saw a clear public advantage his pride seldom refused good counsel or good coin.

This contract, signed in October, was submitted to the Assembly of colonial kings on Parliament Hill as soon as they had returned to their labours in December. The terms were found generous to a fault. There is nothing like a bargain to rouse all the corruptions of our fallen nature, even where otherwise they lurk unseen for the most part. All bargains are like horses bought by somebody else at a fair. The most generous of mortals runs by instinct to look them in the mouth at once and after a moment's glance cries out for a veterinary dentist. But bargains made with individuals by the State, if they awaken any attention at all, are quite sure to excite among all other individuals, who may reasonably be computed to be concerned

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as much as ten dollars each on an average, a fury of repudiative reflex action such as no other sort of proposal shall easily provoke. And this particular bargain did seem one-sided. There remained about 1,900 miles of rails to be laid. Governments past and present had already built, or let out contracts for buildings, some 710 miles. The worst bits, indeed, had not been touched and nobody could know how bad they might be. The charter of the Canadian Pacific railway was what Smith's countrymen call a "pig in a poke." There was, in reality, only one thing quite clear about that agreement. If it could be carried out, Canada would in ten years be raised out of the category of the invertebrates. She would have her back-bone and attachments. She would cease to be a series of detached and imperfectly continuous geographical expressions with more gristle and bone and plashy hydroptic maw than firm flesh, sinew, nerve and muscle; she would become a decently constituted political system and structure of a country, respectably equipped with the machinery of inter-communication from one end to the other and with full egress into the outer universe. If the bold anatomists who undertook to bring the dry bones together and drain the wet wastes should show themselves equal to the feat, it was quite likely in the long run to pay them very well indeed, that is if the prairies turned out to be what they believed them to be and if they could attract settlers to

## A VERY LARGE ORDER

work them up and, finally, if they could make a shift to live long enough to get their percentages out of these settlers. They were to have 25,000,000 acres, which ought to make a very snug little estate. Then there was \$25,000,000 in cash. Along with the government money well spent on Fleming's surveys and on the construction of the parts already finished, this mounted up to a very stately sum total. But besides all that there were various valuable and in some cases rather questionable privileges, immunities and monopolies. Exemption from import duties on all materials—admirable! But what of the National Policy? From all taxation on land for twenty years, and from assessments on rolling stock and other property forever—this was really a very large order. Besides, what was after all only a reduction upon the fixed perquisite of all railways in Canada, they had a free hand with freight charges until such time as the total capital invested should bring a return of over ten per cent. Finally—and this gave a really formidable point to the innocent condition last-named—in the interest of the new railway that old incubus of the north-west—monopoly—was resuscitated once more. The C. P. R. took that place upon the back of the colonist's cow which the Hudson's Bay Company had long occupied on the haunch of the half-breed's buffalo. They were to be monarchs of all they surveyed in this land of their own creation, the only carriers and,

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therefore, the only kings. None should dispute their right. No railway must be built south of the C. P. R. track within fifteen miles of latitude forty-nine degrees, and no line traced between them and the American frontier except such as should run south-west or westward of south-west. "All passengers bound for the U. S. A., this way!—to the wickets of the St. Paul, Minnesota and Manitoba Railway Company. No other tickets for the south are good." The best one can say for this arrangement is that it could not last. Manitoba, whose provincial rights among other things were violated by it, could not and did not put up with it very long. The company was at length driven by unceasing agitation to surrender a prerogative so intolerably restrictive and obsolete in face of the rapidly developing power and self-consciousness of the province which its own railway did more than anything else to create.

Of course the object which explained, if it did not altogether excuse, this invidious and bare-faced piece of mediævalism—the one seriously objectionable item in that charter—was to feed the hungry Lake Superior section. As has already been made clear enough, that bit of the road was vital. But it could never be expected to pay. The West must carry it. It could be no more than a bridge over a howling waste, a bridge one thousand miles long. Sure to swallow up untold millions in the making, it could be counted upon to absorb a

## MANITOBA'S HANDICAP

frightfully unceasing stream of dropping dollars for its upkeep. What was a gulf now must be a millstone forever. One of two millstones. The other was the Rocky Mountain terror. Was Manitoba buoyant enough to swim with two such sinkers fastened to her neck? On the one Canadian side of her, a sheer sky-cleaving wall; on the other a wide black moat of unplumbed quagmire. To the sunny south, on the contrary, where the Fowl of Freedom soared with lewd eyes against the morning ray, no hedges or ditches whatever. There lay, wide-open and smooth for her, the course of true love and the true course of traffic along the short perpendicular channels to the best of market-basins. Must she handicap herself for all time and scare all immigration away by wrenching open a long thin trickle of a line east and west—and Heaven only knew whether East or West was the deadlier—at violent right angles clean athwart the grain of Nature's wildest bristles! The Superior section, or rather the tumbled dump-heap of the Infernal Impotences falsely so-called, was meant to be a link between British East and West. It was likely to be, and did in fact for a long time prove, a wedge of embittered cleavage.

This purely economic question—the other aspect we know was paramount in the mind of Sir John—was really a question of bridges, which resolves itself into two questions. First, "What do they take you to?" and second, "Can not what they

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take you to be more cheaply come by?" There could be no doubt about the answer to the second. The Canadian North-West could beyond peradventure be got at most easily and comfortably from the American frontier. But in that case what about many things, among others what of the grain elevators at the port of Montreal? The problem could not be reduced to the sweet simplicity of L. S. D., or even to the immediate results upon peace and pleasantness with Manitoba. A temporarily strained footing there was not past cure and might end in a richer and more full-toned harmony. It was not necessarily a dilemma of two irreconcilable horns. A synthesis embracing both the seemingly incompatible alternatives might come in time. There might be, in short, enough in the North-West, as indeed the event shows there was, to keep both channels of traffic busy. And even from the narrower point of view it might in the long run pay well, as in fact it did, to force things along the less natural line for such a space of time as would suffice to tear open and fix the grooves of the very desirable habit of commerce which was much the harder to form, in the secure confidence that the easier and more natural slope of communication to the South would in the end look after itself. So that in the last resort our first question—"What is there beyond the bridge?"—was the fundamental point, the pivot on which the second turned. The West was an

## SMITH'S LARGE FAITH

unknown quantity. Nobody could tell what its possibilities were until the railway then in process had brought them to light. How much arable land did it contain? How much of that again had a climate that would ripen wheat? What about late and early frosts, rust, mildew, floods, fires and grasshoppers! How far would cultivation change these chances and conditions? Could white men live in decent comfort and content in such a country? Nobody knew. A man like Smith had a large faith. Given the choice between chalk and cheese, his answer was cheese—cheese, milk and honey, and a flow of them. Having grown cauliflowers, kept chickens and made a carriage-road in Labrador, he knew that man's persistence can make a new earth and a new heaven too—alter the very clouds and seasons—and by judiciously diligent interference transmute the barest minimum of niggard Nature's data into a rosy marvel. That was why Smith was such a useful person to have as a rock and refuge in the background, a reservoir of courage, coin and counsel in the tough business. But there was the chalk answer, too—disseminated far and wide by the G. T. R. and Her Majesty's Opposition. They did not lack adherents. One is interested to discover that in 1885, when the railway was within sure sight of its end, and there could no longer be any doubt that whatever there might be on the plains could be got away to the sea, C. P. R. shares sold in

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London for  $38\frac{3}{4}$ , in Montreal at a trifle under.

But we must return for a moment to view the reception by Parliament of the whole bargain made by the minister of railways on the twenty-first of October. When, in the course of the following December, the charter signed by him and accepted by Stephen & Company came up for the passing of its examination, the only criticism offered by the Opposition which, at this time of day still retains upon its face some gleam of sense, was just the one whose pros and cons we have been trying to appraise in the foregoing remarks. It is, however, only fair to add that on that side, an idea already quite familiar to us—Tyler's, indeed Tupper's own not so long ago, and afterwards Hill's, —was thrown out. Run a "road," they said, "through northern Michigan and Minnesota. That will cut out the bogs and bring the produce of rich fields through Montreal." The C. P. R. has since done this very thing. But, for the reasons indicated above, the hour for such lucrative duplication had not yet struck. In other respects one can hardly find a grain of either salt or wheat, of wit or helpful wisdom, in the bushels and piles of amendments solemnly deposited with a gushing and a rustling thud upon the suffering floor of the House. Having exhausted all the tactics of obstruction to block a measure every single feature of which was honestly anathema to him, Edward Blake, who had suc-

## BLAKE'S ANTAGONISM

ceeded Mackenzie as Liberal leader, filled the Christmas vacation with heart-rending cries of academic Cobdenite Jeremiads. But he did much more. At last he took to building a dam against the blue ruin of his own predictions. He showed them that syndicates were no Conservative monopoly. When Parliament came back from mince pies to the order of the day he had the names of a brand-new extemporized outbidding full-blown Corporation in his breeches pocket. Good names, too! Howland, MacMaster, Hendrie, Wood, Gilmour, Cox, a perfect galaxy to twinkle on the first page of any prospectus from creameries up to rolling or cotton mills. The one thing that not a single one seemed to rhyme with it at all was railways! It was an extreme instance of the continental faculty for a genial versatility in improvisation. The government, however, had made up their minds to get this thing done and were inclined to suspect that if only it were done when 'twas done, then 'twere well it were done quickly. They can scarcely be blamed for preferring, as they did, to stick to a *personnel* who possessed the humbler merit of experience, knew the ground, or at least part of it—what part of it did Smith not know?—and were not unfavourably known upon it, having done something there already, and had connections firmly established with just these American railways whose aid might not well be wanting—decent, solid persons, besides, with whom they had

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tied the knot of their pledged word so tight that Blake knew well he did not run much risk in undercutting it. So they were deaf to the Howland siren-song. The sight of \$1,400,000 certified to lie in chartered banks as guarantee of simple faith and plighted troth left their chops dry as bone. The generous offer to accept with gratitude twenty-two instead of twenty-five millions respectively in money and in acres without any invidious exemptions, immunities, or monopolies—the manly constancy of these free-traders to the government's own peculiar National Policy, their staunch resolve to pay protective duty on every pound of nails, their full confidence in the government's all-searching and weighing eye, contented to take any freight rates that government might fix—the subtle and strong appeal of all hardly resistible allurements did not move their stony hearts. They remembered that they were not conducting a Dutch auction—especially as they had already knocked the booty down. And they were by now quite eager to begin work. A good deal of grass had grown under a five years' Liberal Scotch mist. It cannot be said that they ever had much reason to regret the decision. However respectable Cox and Hendrie and Howland might be, and however difficult it may be to say what they would have done in that particular case, none of their mightiest works in other and more congenial directions affords much ground to suspect that they could

## A PROFITABLE BARGAIN

have done better, more promptly, valiantly, faithfully and honourably than Charles Tupper's Montreal syndicate. Sir John was not left lamenting by the wild waves over the jettison of this bargain. Next to the Washington one it was the best he ever made. Not even legend, otherwise so busy with his name, has floated down to us any story of his wringing his hands over his callous destitution of responsive sympathy towards the one single proffer of original suggestion or aid, the one real perspiring endeavour towards a constructive contribution to this laborious public business ever made by the learned jurisconsult and eminent statesmen who not long after, when the minister of railways and the premier had at long last clanked the first hammers at Yale, deliberately presented a waggon-road from Edmonton as his own and his party's alternative policy for appeasing the indignation of British Columbia.

The old cheap wisdom of Epimetheus, enlightened by the event, wherewith this chapter is saturated to the point of surfeit, whispers in one's ear no small wonder that none of the Liberal luminaries, Blake, Cartwright, Laurier, or any other should in all that spilth of amendments have left out one that seems to us rather obvious. Why did not a hint or glimpse occur to any of them that a guarantee of dividends on stock for a certain term of years, such as we shall hear of presently, might with considerable prospective

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advantage to posterity be substituted for part of the enormous land-grant? Land was what the emigrants were crying for, and the North-West was a desert howling an echo for immigrants. To the *desiderated* settler land was the one thing needful. Yes, but strangely enough, at first sight, it was also dirt-cheap just when it was most needed. The demand was not of the kind that gives value to the supply. The latter was a drug on the market, obscured by all sorts of drawbacks, partly quite real though considerably modifiable, and partly fancied. A fraction of it would make a fine *ager publicus* or common patrimony now, and if we wanted to raise a few dollars by disposing of it, would go off like hot cakes. Americans would be among our best and foremost customers—so wonderfully has the C. P. R. changed all that. But in those days people set little store by land on our side of the water, and, besides, every politician with even a slight experience of railways, having been once bitten, was twice shy of this kind of dividend guarantee. The G. T. R. was still a recent wound.

Thank heaven, we have at last reached the page that can wave its lily sheet towards Ottawa and the noisy crew of politicians there. We shall still have to take occasional trips there—from Montreal with George Stephen, the best of company. Donald Smith is out of it by now. Sir John has banished him from the capital. Henceforth, our

## THE GREAT PROBLEM

fixed centre will be Montreal. That city revives its old rôle as fructifier with brains and bawbees of our West, and magazine for the "wintering partners." It becomes more and more the solitary source of the sinews of the great war that really begins from this point on. For, of course, the great problem for the charterholders of the C. P. R.—a problem that proved all but insoluble at several repeated pinches—was to raise the very large sums of money necessary to lay 1,900 miles of rail, 1,400 of it over the toughest bit of country that ever contractor scratched his head over.



## CHAPTER XII

### THE BUILDING OF THE LINE

THE foundations of C. P. R. finance were not easy to lay. *Tantæ molis erat Romanam condere gentem*—"such fearsome toil and moil it was to plant that corner-stone." What made it much worse than it would normally have been was the extraordinarily hard times then prevailing. The old stocking has seldom in fairly recent days been quite so much in vogue as during the unexampled constriction of the late seventies. A very transient gleam of returning confidence did, it is true, shine out from a rift in the clouds to cheer the dawn of the new decade. Unfortunately it did not fall on our side of the hill, being intercepted by our neighbours who were so much nearer at hand "to stand up and take". the top of the "morning." The years 1881-1883—the critical years—were marked in the United States by an entirely unprecedented boom in railways. The great heart of New York was all turned into the capacious arteries and veins that radiated to every limb of the great body which it must in the first instance supply from its hard-pumped auricles and ventricles. By 1883 the flow had touched high water mark and spent its force. Just at the time when the

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C. P. R. coffers were quite dry and the rapidly revolving mill-wheels of construction were creaking and clapping for water the ebb had set in. London, as we have seen, was frozen solid as a brick. G. T. R. shareholders, threatened with formidable competition in their best districts, and the unceasing *brekekekex* *coax coax* of Canadian croakers, from the ooze of their Slough of Despond, took good care of that. New York did a little better. Not much, for the reasons given and for another weighty one besides. The omnipotences in New York in these things were the Northern Pacific, now fully awake to its slipping sceptre, and the hitherto good Canadian James J. Hill. At that time he was the oracular authority on all continental transportation problems. In 1883, over the old bone of contention, the weary Lake Superior section, he struck his old friends a slugging blow, by far the heaviest of the many they took in every round of this contest, by deserting them to devote himself entirely to the service of their most dangerous rival, the Great Northern. Canada was thrown back upon her own slender resources, and as that stout-hearted fur-trading pioneer Henry, once said of his experience—"found that despair was not made for man." It was a weary business, that quest of the reluctant dollar. Nothing but the "faith that moves mountains," and does not boggle even at muskegs, could have been equal to it, and the devotion that does not stop

## A BORN LEADER

short of the bottom dime. Both were there in the Board of tenacious Montreal Scots, surely the reincarnations of the long dead agents of the North-West Company, with Van Horne, as we shall see, for their trans-Kaministiquian bourgeois in Beaver-land. Above all, they were there in George Stephen. It was he who found the money and passed it through his pores. His foresight, the manly vigour that radiated from the high-hung lamp of his face above his broad Speyside shoulders, his unlimited resourcefulness and indomitable courage, were the driving power, like the great steep grade engine's piston, and the beacon light of the enterprise. He never once looked back. When things were at their worst the thread of the one way through and out was always flashed upon by his hawk-eye. He had the priceless gift of a contagious confidence. You were his friend because he knew you would be. No one who ever looked him in the face would doubt his word. He was a born leader. Donald A. Smith, though far less brilliant and prominent, was scarcely less essential. He had already done two or three life-days' work between the wilds, Riel, and Ottawa. A great part of his contribution was the store of living knowledge and the upward lift of reasoned hope he had gained in doing it. He was the embodied past stepping out, like old Homer's sleepless Læstrygonian shepherd, towards the rising sun with the glow of the setting sun still

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upon his brow. The right to let his juniors whom he had started on the rocks and bogs of this portage do most of the more sunlit conspicuous fly-plagued perspiring of its strain upon the tump-line had been well earned by him. He was rather "uncle" than cousin to George Stephen by age and precedence as well as by nature, if not by height of pile. Still scarred and partly lamed by those battles of ten tines which, wholly of course without the least foreknowledge or suspicion on his part of such a result, had cleared a free field and open arena for his younger and more dashing comrades in arms, he lay low like heavy ordnance in the rear, in a well-stored stronghold and base of help, healing and comfort, a sure refuge in times of trouble. Several times over, just in the nick of time, he shook out unexpected succour from his wide sleeve. At one moment all his St. Paul and Minneapolis holdings, like Stephen's, stood pledged to the last quarter. Though well back under the shadow of that rosebush, he was all in it, and up to the skin of his teeth in its sharpest thorns. The large enveloping unobtrusive sound sense and natural justice of mind, the rare power of listening, the gift of weighing and sifting grains of solid reason, and the unblemished financial prestige of R. B. Angus made a close third at the council-board. If the ship had gone upon the rocks, not they only but all their friends—nearly all Scots like them-

## THE FINANCIAL POLICY

selves—in Montreal would have gone down with her.

In one respect the financial policy they adopted was quite unique. Most tangible properties, above all such as are likely to be substantial instruments for the production of wealth, are usually to a large extent constructed by means of a reasonable discounting of what they are going to be when once they are up and standing there completed. But these builders of the C. P. R. were chary of this convenient anticipatory method of living on next day's manna. They had seen too much of this way of capitalizing Hope's fine-feathered birds in the bushes of Eden. They could not forget what the St. Paul and Pacific had looked like before they made it—a water-logged derelict sunk in the mud by twenty-eight millions of mortgage bonds (which they had acquired for less than the accumulated interest) attached by a rotten string to a puny cork life-belt of six millions in paid-up shares. Their railway was not going to repeat this mess; not until such time as it had become a piece of very real estate, indeed, would they borrow a copper upon its security. They stuck to their solid hand-to-mouth procedure. They grew their Scottish thistle and made it thrive among the big-bellied pumpkins of new-world fairy finance. And it did in the end "out-redden all voluptuous garden roses." But they just missed martyrdom for an honesty which was

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so entirely original. As they had nothing but shares to look to for the means to go on with the work they were compelled to make the shares attractive. So—expensively original again—they took to issuing dividends from the beginning. But even that did not content them. They proceeded to guarantee those dividends some years ahead. By the end of 1883, sixty-five millions worth of shares had been sold. The total authorized share capital being only one hundred millions, the reader will say they had done very well indeed, considering. Alas! the gay sixty-five meant no more than thirty-one in the strong box, and only angel visits of the thirty-one at that, for they were but rapidly flying summer swallows bound for British Columbia and impatient for their widely scattered perches on the no less rapidly extending leagues of rails there. And yet, in order to make quite superfluously sure that those migrant thirty-one would come home again to the eaves to roost, and to lay their eggs handily for the happy householders that had sped them upon their westward flight, they chose this time to set no fewer than thirty-eight nestling millions more in the chambers of the public incubator and lock them up there from other much more pressing uses. In plain words, they deposited in the hands of the government what for them in those days was the enormous sum of \$38,000,000, half of it cash down, with good pawns for the other half, as a fund to

## A TIME OF DANGER

secure three per cent. interest per annum for ten years upon the thirty-one millions which had been received for the par value of the sixty-five million shares sold. Then they sat down and waited. They naturally expected that the \$35,000,000 shares out of the original \$100,000,000, the balance still unsold upon their hands, the dividends upon which also they proposed to make snug with the same solid anchors fixed behind the veil, would disappear in a twinkling under that stroke of white magic, fetching no end of fuel for their now empty bunkers and enabling them to go on with their construction full steam ahead. It did not. No *coup* could possibly have been more unfortunately timed. For that very moment, as it happened, had also been chosen by the American Northern Pacific for a smash that resounded all over the world. The railway whose prosperity had been meant to preclude the need or possibility of the C. P. R. came very near by its clattering ruin to nip the C. P. R. in the bud and drag it down in the long trail of devastation. The whole West was red with the lurid warning of that blaze. Coming as it did on top of a succession of bad harvests in Manitoba which had followed close upon the heels of the boom caused by the first active operations there, it effectually sickened all investors everywhere of both the American and Canadian West, railroads and railroaders and all, and scared away their money to the furthest

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possible remove from the region of such cyclones. Everything short of invincible optimism and intimate knowledge gave Manitoba the widest possible berth for a long time. Settlers and speculators vanished in a night from Winnipeg like green leaves before the locusts. The prospects were for a fine crop of hay in its high street next year—and owls in the birches of the two rivers. The blow just missed being a *coup de grace*. The thirty-five million shares, the one realizable asset not used up—we shall speak of the land in a moment—would not budge. It looked as if they might just as well be given away to the navvies and the Blackfoot Indians with a pound of tea. And all this at a moment when dollar-devouring construction was in fullest swing and the last tough bit of the weary way was still to travel. Their stubborn ill-timed “safety first” deal had launched an avalanche upon them. They had locked up their funds in the refrigerators of the State to drip out doles of three per cent. dividends when every liquid copper was sheer life-blood to them. It was a bad quarter of an hour.

Where could they look for a rock or bush or tuft of grass to cling to? Their cash-grant of twenty-five million was gone long ago. But was there not something said, too, about a land-grant? Could nothing be begged, borrowed or stolen upon that? They were still surely at least “spacious in the possession of dirt.” What had they done with

## A COSTLY PROCESS

their estate of 25,000,000 acres? They had done their best with it. But that was amazingly little. They had at first coöperated with the benevolent government which gave away its land to homesteaders *gratis*, in the hope of bagging settlers and freight-providers generally. It had been a costly process on which they ought to have been allowed a compensating grant, for it had let them in for a fairly successful but highly expensive advertisement and publicity campaign in England. When the coast had thus been at least partially cleared, they next went on to issue mortgage bonds—not hesitating this time for conscience sake, because the solidest of all possible stuff was there—upon their own 25,000,000 acres, which they valued very modestly indeed at a dollar the acre. On this operation they had done rather well. Ten million of those land bonds sold at 92½ leaving them fifteen. Varying fractions of the un-negotiated balance were utilized at odd times to cover government advances extorted upon promise of promptitude in the completion of the contract. Another five million of their acres, reduced a little later to the more tractable total of 2,200,000 acres had been handed over to be dealt with by a subsidiary company with a strong family likeness to Smith's old favourite Puget Sound Agricultural Association, and no doubt born out of Smith's long head. This subsidiary company, in which of course several of themselves, including Smith, were

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heavy holders, was called the Canada North-West Land Company. In one way or another they had by the end of 1883 netted about \$11,000,000 upon this account—by far the greater part of it now, if not with last year's snow, at least sunk in painful rails that seemed at that hour to have but slender chance of dodging their predicted doom of rust.

Such, then, was the cleft stick in which the syndicate found itself in this *annus mirabilis* of theirs. The sink-hole north of Lake Superior, to swallow up their money like a hippopotamus or some worse monster of the slime. In the treasury-cupboard, not one dry bone. For assets, uncertain potentiality, thirty unsaleable millions of shares, and much land. But all that broad expanse of acres which had not already gone the way of cold mutton was for the present little better than a white elephant. No bidders could be seen. The Manitoba slump, the late series of wretched harvests still marching, it seemed, in indefinite process onwards to barren autumns yet to come, had shooed them all away like frosted flies from the Red to the Plate River. Who was to pay the piper for the steam-whistle tune, the marching-music along the black Superior leagues of the all-red railway that might yet paint the earth? Now was the time for sacrificial faith. Nor was it to seek. Stephen, Smith, MacIntyre, Angus threw all they had, from railway scrip to shoe-buckles, searched every nook and cranny of Montreal by

## A YAWNING FINANCIAL GULF

daylight and by candle-light, and threw all they could worm out of their friends, too, into the gulf. The gulf still yawned. The only consolation was that they had kept nothing out of it for themselves. Their hands were clean of coppers craftily reserved. They had at least willed mightily and well.

However, there was one resource still left. That was the pride and power of the government, which meant the Canadian people. On the C. P. R. side, too, there was still something in reserve. They had kept whole one stick with which to knock down the precipitations of that power and pride, one stout pole or scaffolding, even, to stack them round, if and when they should fall—the value of the road itself. After all, the almost pedantic honesty of their miraculous finance, which had got them into it, might help them to climb up to the light again out of that fearful hole. The worth of their property—every inch of it still their very own—now visible and substantial enough, had hitherto been kept jealously in an inviolable integrity. Now in the last desperate strait it might be offered, with very similar feelings to Abraham's when he offered his only-begotten, as a pledge to the government. A paternal government might advance a loan of \$22,500,000 in view of certain other considerations and upon the basis of a really and literally first mortgage upon all the syndicate owned in this world, their railway then approaching and now certain to attain completion,

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the railway, the whole railway and nothing but the railway. What were those other considerations? Just one, but cheap at millions on several accounts and above all as an object of true art, a luxury of pride. An offer of crushing yet blameless triumph over foes, it dangled brighter than any diamond before the astonished eyes of Tupper. The contract should be completed by May, 1886, that is to say, five years before its time and within half the term which the Liberals, with one voice consenting, but so unfathomably in error, had denounced and held up to scorn as impossibly, nay insanely, short.

Would the government assent? If they did it should be fame and fortune. If not—? When George Stephen, on his way to see Sir John with that last writing in his satchel, took his seat in the train for Ottawa at the Bonaventure Station, he had something to occupy his mind without the need of spending any coppers on the newsboys. He was like a gunner, with just a few miles left of the march upon victory, but surrounded on every side by an overwhelming superiority of hostile force, and hopelessly cut off on every side but one, not only from reinforcements but from supplies, who solemnly takes out and turns over again and again in his trembling hand the last shot in the locker. It was there in his satchel. He felt every now and then to make sure it was there. A heavy shot, and should be well-aimed at least! Heaven steady the poor gunner's hand and guide

## NEARING THE WINNING POST

his shell to the mark! Ruin rides upon its wings or else salvation. . . . The more he thought the more impossible it seemed that he could miss. Sir John was not the sort of poorhouse politician either to drop in his tracks within a yard of the goal, or to pick up the chestnuts—if that could be done; it would at the best be extremely risky—and turn his back on those who had picked them out of the fire for him and for Canada. The offer must tempt him beyond all resisting! To be twice as good as a word flouted for the pledge of delirium, to forestall by half a decade an appointment which had been derided and tossed aside as antedated by at least two whole decades from the first—what a crow for the old game cock with which to hail the morning of his country's greatness across the shattered dunghills of those tame barnyard economic precisians and all their dame Partlet's and capon chicks. And on the other hand what shame, confusion and discredit to collapse, and that so near the winning post!

As to the risk, there was some, no doubt. But surely, in spite of momentary clouds, it had never been less. And that peril was as the dust in the balance compared with the certain disgrace and loss of letting a company go down when it could hardly fail to drag down with it the government, the Bank of Montreal, and indeed all Canada.

With some such reflections we may be sure George Stephen assuaged the fever of that journey.

## LORD STRATHCONA

He was one who "never doubted clouds would break," and always kept his head in any case. He had a sore disappointment and disillusion when he reached that journey's end. Sir John, he soon discovered, had reached the end of his long suffering with the C. P. R. He simply could not stand one ounce more of it. The last straw had been laid on the broad back of that good ship of our desert. He had already done his bit here. Every man has his breaking-point. That long, searching, fiery ordeal had found the premier's at last. He could not look at the proposal. It gave him a headache. He did not dare to face the caucus of his own party with such an offer in his hands. Neither Parliament nor country would stand it. Unfortunately, Tupper was not there to stiffen his back as he had once, not long ago, needed to stiffen Tupper's. The late minister of railways was in London, where he was making himself very useful as High Commissioner. Pope was there, however—a shrewd appraiser of party chances. Frank Smith, all powerful among Irish Catholic Conservatives, and the right fighting sort of Irishman, was also there, with no less sharp an eye for tactical dynamics. They saw plainly how the wind blew, and held up the sinking arms of their old leader against its violence. They were young and fresh. They had had no Washington treaties and Pacific Scandals. They had not made their last political will and testament over this business

## THE LESS OF TWO EVILS

or turned their faces to the wall and laid themselves down to die of it. The C. P. R. was not for them a deep, deadly old wound scarred over by time and now throbbing with angry life again and blinding pain. It was a pang of travail to them, the stimulating stound of one final paroxysm of effort, the herald of conclusive delivery, the last fierce contraction in a mighty birth. How weak the strongest man may be at moments! How good it is that there are such things as friends!

George Stephen had packed up his things. His paper was in the bottom of his portmanteau. The alabaster vase of precious spikenard had been broken among the iron pots and was now on its way to the scrap heap in Montreal, which would soon be piled high with the wrecks of other fortunes as well as his own and Donald A. Smith's. Frank Smith called on Stephen in the Russell House. The crumpled protocol was disentombed and smoothed out again, a shining weapon once more. Well wielded, too. There were several more hearings and anxious moments in cabinet ante-rooms, where a tall man might be seen sitting with bent head between his hands. One can imagine the light and fire of that pleading in the intervals, and the looks of the tall man as he spoke. Something had to give way, and in the end the Cabinet saw that acceptance and mending of the ills they had was the less of the two evils. Tupper, summoned by cable from London, roared and wind-

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milled the same conviction into the heads of the caucus. On his way home to Montreal in the Grand Trunk train reading the daily papers, George Stephen had a new paper in his satchel. It was good for \$22,500,000. The old one—good for Heaven knows how much more—had been left in Ottawa. The road and the precious speedy end of it were now in the hands of the government.

One last hurdle was still to clear. Quick work meant lots of money. The \$22,500,000, sweated out of the scarcely less refractory and stony veins of Ottawa politics, soon melted away or burst into hundreds of million fragments of dynamited débris among the dolomites of Lake Superior. More money and still more was needed and needed at once to break the rocks and fill the greedy moving gulfs. Where was it to come from? The last accessible security upon which it could be borrowed lay immobilized in the government dockets. They held a blanket-mortgage on the line. In the other safe, it is true, there were still two assets, the unsold land and the thirty-five millions of unsold stock. Unless by some kind of alchemy these could be transmuted into some other shape, it was quite hopeless to attempt to liquidate either. One fine morning came when the greatest corporation in the world, which can give you a visiting-card that belts the globe for you with continuous leather and links of its own, and would highly honour and oblige any decent banking

## FINANCIAL WIZARDRY

house in London, New York, Paris or Montevideo, by a request for the commodity of five million Sterling after or before banking hours, was within three hours of dropping hammers and gathering up drills and wheelbarrows because there was no one in sight to bring out four hundred thousand dollars. That was the last vertiginous ledge, fifty yards from the peak and all the kingdoms of this earth and the glory of them. The trestle work did not stop. One crystallizing stroke of financial wizardry, George Stephen's again, was enough to clear things up. They had waited and everything came to them. All their odds and ends began to roll with a rush at last. By permutations and combinations, by dint of splicing loose leavings from here and there together, a rod and line and gaff took shape stout enough to land George Stephen's biggest salmon at last and lay him gasping among the Grande Métis blue berries. With the sanction of Parliament the thirty-five millions of unsold stock vanished in that unlovely form of stock from the books of the company, to rise again in soaring columns as an exactly equivalent thirty-five millions of first mortgage bonds. The rose smelt sweeter under that name—a name once feared, but now in all the fuller flavour when the exhaling flower, wholesomely delayed by fear in its maturing, hung there before all eyes. But besides, in that evening hour when all things came home and all fragments were gathered up and

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turned to steam, the land's turn came too. It proved quite a *pièce de résistance*. Just as insoluble as the frozen stock which by one stroke of the pen had passed out of as good as nothing into full being in a higher state of matter, it served as an eke and stiffening to that.

Between the resuscitated two of them they rolled away the stone. They wiped out the whole \$22,500,000 government loan, once a saviour of life indeed, and lifted the grinding weight of that body of death off the springs of the railway's credit. By this—to the syndicate—"new way of paying old debts," twenty million bonds, subtracted from the thirty-five newly created out of the comatose thirty-five million shares, sprang up into immediate operation and made a clean sheet of the blanket mortgage to the tune of twenty millions, while the still uncovered selvage of two million and a half was taken care of and neatly obliterated by a clout cut off from the unsold lands. So the burden had all rolled away. The line stood elastic and clear as a Rocky Mountain goat. Better still, the dumping had not tumbled the whole cart-load away. There was still a nice little farm to plough. There were also fifteen million bonds, unsaleable no longer. They sold at 95! The great British investor had at last—better late than never—been provoked to jealousy. So that now not only was there enough to finish the road, but quite a tidy and much needed balance



DRIVING THE LAST SPIKE OF THE CANADIAN PACIFIC RAILWAY  
AT CRAIGELLACHIE, NOVEMBER 7, 1885



## THE LAST SPIKE

on hand to operate it after it was finished. On the fifth of November, 1885, the last spike was driven by Donald A. Smith, who had earned some right to the honour by wagering his last dollar upon it, at Craigellachie in the conquered Eagle Pass of British Columbia. It was the last nail in the Eagle's coffin so far as the Lion's share of this continent was concerned.

On their side, then, the syndicate had delivered the goods—five years in advance. In March, 1886, they had their full discharge from the other side. Without the preliminary of one cent's rebate, boot, drink-money, or *douceur* in consideration of the sour sweat of the pace which had so nearly killed, or of the free gift of priceless time—those five years which were then worth to Canada “cycles of Cathay” and many millions from the mines of Ophir—they drew a pen through their complicated accounts with Sir John Macdonald's government. They had forever glorified it, and it had not coddled them. They had not taken one grain more than their pound of flesh. The government had taken more than every ounce of theirs. The only discrepancy between bond and fulfillment, besides the gap in dates, was thirty million dollars received instead of twenty-five and *per contra* fifteen million acres of land instead of twenty-five. The other ten in land had been accepted at the very reasonable figure of one dollar and fifty-five cents an acre. In spite of the

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closely-figured verbosities of Edward Blake, the bargain had been none too good. Are brains worth nothing? They are the scarcest commodity in our Empire and yet they seldom command a very high market price there. We should rejoice when by some miracle they do. After all, it is but an infinitesimal percentage on the wealth which they create for others. And what about wear and tear of heart? That, too, should count for something. What of faithfulness and honour that stakes its all! How many *could* purchase the gains of that bargain by the expenditure of spirit it had taken to make it good with so much to spare? How many *would* if they could? Just the few who have faith enough to descend even for three days into hell. If only the Grand Trunk Pacific bargain had been as good as the Canadian Pacific one!

God made the country, and man, not without help from mammon, made the Bank of Montreal. It is a relief to turn away to the fresh air from the stuffy Cabinets where poor George Stephen, with financial forceps in a brawny hand that had lost, alas! the right angling tan and freckles of the Gulf, was doomed to draw teeth, and with wry enough face of his own administer laughing-gas to leathery ministers and sleek cashiers through a hard-labour term of five weary years. Let us close by having a look at the real lords of creation—the gangs of cheerful navvies filling in the wholesome earth, the true smell in the nostrils of mortal man,

## THE CHEERFUL NAVVIES

and drilling amid puffs of pipes and of exhilaratingly effective explosions their comparatively penetrable rocks. They had the best of it! Happy if only they could know their boons! If they could get some taste of the "sweat and grunt" of that other kind of life which deals mainly with the obstacles to be dug and bridged and blasted out of the way of great things in the littered strata of man's mind! If they could know "the law's delay"—and the lawyer-politician's—the "insolence of office and the spurns that patient merit of the unworthy takes" until it cheats its opponent with his contempt, and is crowned by manifest success and the thorns of his envy! They had the air, the streaming pores that make the easy mind, the blessedly sufficing good and evil of the day, the sleep that a king cannot command or buy—the dead, deep sleep of a ten year old—on the pine-needles for nine hours out of the king's twenty-four, the bacon and beans by the flashing rapid, the jolly bursts of emulous work, the horseplay, the songs, the tall talk and deep tobacco round the camp-fires which make all three a newly-found wonder. Uneasy lies the head that has to do most of the thinking for all "that glowing mass of fiery valour" and muscle "rolling on the foe and burning" with abundant bully beef. Everybody worked but Fathers Donald and George. They had only to toss from side to side upon their beautiful brass beds and luxurious spring-mat-

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tresses in their tottering palaces, staring into empty chests, and planning to fill them; they had only to balance their plans on the eternal tight-rope of uneasy dreams which hung like a spider's thread over the cataract dancing down below ready to whirl them along like two spinning leaves upon its foam if they made one false step. Fortunately, they had others to help them that could think of almost as many matters as they, and had more reason than to give Heaven thanks for the colour of their thoughts. The first thing they did was to set up an office in Winnipeg with two Americans in chief charge, General Superintendent A. B. Stickney, Chief Engineer General Rosser, neither of whom kept their jobs long. In 1881 another American took command. A roving commission to do for the Republic—the smaller one—whatever came under his number eight hat, was to the entire salvation of the project entrusted to William Van Horne. This really great Dutchman, then in the full plenitude of his extraordinary powers—he was still under forty—had all the railway experience there was, packed tight along with much else in an unusually capacious and fervidly active cranium. He was born, as it were, in a caboose, and cradled in a steam-engine, had played in his childhood with all colours of signals, and from fourteen on had worked at telegraphs and every other arm and branch of the transportation business. He had many other interests to

## A GREAT RAILWAY BUILDER

occupy his leisure moments. He was both a collector—he had begun with buttons and gone on step by step to minerals, Japanese vases, Italian, Spanish, Dutch and Impressionist pictures—and, what a collector seldom is, an artist. A great architect, if not a great painter, was not far below the surface in the soul of this railway maker and close bargain-driver. He could hold a great deal well together in his mind's eye. A whole complicated system found room there, ramifying and growing, down to its minutest clearly outlined detail, in perfect proportion and harmony, round a centre that gathered all up into itself and smoothly unfolded itself in all. That was the root of his talent. The plan of an immense trunk railroad, with all its intricate branches, twigs and sprays down to the last leaf, could hang up there in his great head clear and worked out fully to scale like a map on the wall. He could divine the lie of a country, see how the roads would go from one end to the other and how they must get over or round obstacles which seemed to vanish, when steeped a while in his thoughts, like the rocks in the Alps under Hannibal's vinegar. He would draw you a Swiss chalet, that seemed to grow from its spot for a wayside station among the Rockies, in the interval between his sixth and seventh chop in the dining-room of his private car. He had a plan for everything, seemingly all ready to shake out at a moment's notice. Above all, he understood

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men, could lead them or drive them and get a greater amount of work out of a given number of navvies and their gang-leaders in a shorter time than any other boss on two continents; "a first-class tyrant," as Donald Smith once said of him. Once he took hold, the wheels of construction began to hum. All records were broken small. But for him, Heaven knows when that job would have been finished. The prophets of indefinite protraction might never have got the lie. Their calculations, though well-enough conceived according to their own scale and standard, were vitiated by the natural incapacity of the calculators to foresee or imagine such a phenomenon as Van Horne, a force at the wheel far outside the ken of any "flies" upon it.

Van Horne always began with a plan. In this case he made out a careful time-schedule in advance, and it was astonishing how little he was afterwards forced to deviate from it. Beginning simultaneously at both ends, eastern and western, he hurled the weight of his first attack upon the centre. Mackenzie had found himself constrained in the long run to bend to the tears and maledictions of Winnipeg. That city was not to be side-tracked after all, but was to become the metropolis of the West, linked hand in hand, shoulder to shoulder, heart to heart, and elevator by elevator, with the port of Montreal. But now, in the light of recently acquired knowledge, the line of the

## THE ASTONISHING NORTH-WEST

railway was to take an even more southerly direction than was necessarily implied in that enriching intersection of Winnipeg. In 1879, Professor Macoun had demonstrated that our astonishing North-West, which has never ceased to improve on closer acquaintance and beat its wildest boosters by the splendour of its slowly unfolding realities, was much better than at first sight it looked on its south side; just as on the north side we have since discovered, to our immense surprise, that its wheat-fields thrust their illimitable bounty close up to the ice of the Mackenzie and Peace Rivers, far within the Arctic Circle. Up to the time of this excellent Professor's researches, made so remarkably in the very nick of time, people were very seriously afraid of the American desert. They believed with good reason, that a monstrous cantle of our good land was cut out by the long dry wedge which protrudes like a parched tongue from south of the border, its withering rusty rim not fringed with living green until it is softened by the waters of the North Saskatchewan. That was the general view in the early "sixties," based on the explorations of Palliser, Dawson and Hind. Professor Macoun knew better. His timely diligence restricted the really arid belt within comparatively narrow limits. It was a great thing for the C. P. R. Calgary became the objective for the wandering theodolite, not Edmonton—a gain of fifty miles!

## LORD STRATHCONA

That meant a vast deal. The country to be traversed across the plains was the least self-sufficing possible for their purpose. Their war could not support and feed itself. It was as yet mere belly without feet. Everything they could make the road out of had to be hauled. Not a stick of timber grew along their track; their ground did not hide iron enough for a pound of nails. The nearest carriers were the American trains. They were now, indeed, fifty miles nearer these along a great front. So much the less danger, too, incidentally but most momentously, of any rival roads springing up like choking weeds between! It was a bonanza; but it was also, as indeed most things were in this most sporting of all human ventures on the cool side of absolute insanity, the giddiest of all gambles. What of our Yellowhead Pass? Had not the good Fleming fixed that as firm as fate? So goodly an approximation of the perpendiculars of supply along a parallel so many leagues long was all very fine indeed. But might it not turn out to be the blind fiddler's short cut if it should chance, at the same time, to be an exactly similar and similarly situated recession from the one gap in the hedge that bristled at the end of it? It would not profit much on a striking of balances if it meant that the acute heads which had devised it were to be rewarded for their sapience by being run up against a dead wall. Could another pass be found? The answer was wholly on the knees of the gods,

## THE STRIDE ACROSS THE PLAINS

and Van Horne trusted them. Once more these plungers, who never left a stone unturned that sweat and faith could move—and what can that team pulling together not move?—threw themselves back hard, grasping their own pick-axes mightily all the while, into the arms of Nature with a faith that seemed next-door neighbour to downright impudence. A pass must be found! Therefore, it could and would be found. “We ought; therefore, we can!” And sure enough the pass *was* found. It was the whole bright history of that road gathered into one luminous point, and for that matter pretty much the whole history of man’s progress on the face of this sublunar globe. They knocked at the Southern Gate and it was opened to them. As we shall see in a moment, they had to bruise their knuckles rather badly. But who grudges skinned knees or even shrunk sinews after a successful wrestle with that tough old angel, Mother Earth? It has always been her way to maul her minions. There is ever a pinch in her caresses; teeth behind her lips.

But first we must go on with Van Horne and his stride across the plains. It got longer and longer as he got into it, until you would have said that the Dutchman was an Arab. By the end of 1881 he had made one hundred and forty-five miles. The engineering was happily as yet smooth travel; the transport was the only trouble here—and bad enough. As soon as better arrangements had been

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made on that head, and ambitions had warmed up, they quickly began and went on to do better and better. By the end of 1882 the pace had been mended to nearly two miles a day. By the end of 1883 it had come to swallow three and a half miles daily. Van Horne was no great employer of those that eat their bread in the sweat of their tongues. He was too busy to put up platforms for walking or rather ass-riding delegates where they might stand Industry on its head and themselves on their own forked and braying tongues. There was one particularly black day for the principles of these propagandists of maximum wage and minimum work. The joys of slacking, the *dolce far niente*, had steamed into space in a vapour-bath of sweat on that occasion. Other less obvious joys had come to take their place. The bolters and spikers quite forgot their union orthodoxy of *otium cum dignitate*. Another kind of union was suddenly revealed to them. It was, perhaps, some little consolation that, by way of amends for any loss, they made the most exhilarating discovery that ever dawns on any workman, that finding of himself, namely, which comes of putting out to the very uttermost every ounce of force that is in him. They had not known, till that great day awoke him what a hero slept in the deeps of every man of them. Those deeps answered to the call of the deeps, moving right down to the ocean floor, in the will of their leader. That is what a leader is

## THE ROCKIES AT LAST

there for. Each lead- and gang-spiker lay down on the balsam that night and tried to sleep in the glory of a working-day, each of whose fourteen hours had rung to the music of six hundred blows from the plectrum of his hammer. *There* was the sort of man, and not the walking-delegates' pet beast of burden, to raise and rivet the walls of New Jerusalem, the only nursing "mother of us all." The moon, when her silver light came out to cool those burning brows, ran back along gleaming lines of six hundred tons of steel stretching behind them there—much too far away to look round and see, ever so far after their parallels had met and run into one—in two long-drawn rays six and one-third miles long. The ruddy glow and shadows of the camp-fires rested, or flickered along with the lingering beams of the setting sun, that night upon the summits of the Rockies only four miles away.

The Rockies at last! and much sooner than even Van Horne himself had dared to dream. But what if they had run their record race only to find an *impasse* for goal? At first, they seemed to be in amazing luck. It took no very long time of anxious looking to find a gap between the teeth of the Rockies. The Kicking Horse Pass opened up right in the path of the bolters. They had struck their "slap in the dyke," knocked at an open door—only to look through it to triple bolts and bars beyond. Behind the Rockies were the Selkirks. Over against the door, open to command a fine

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view of it, stood, not a dead wall only, but a rotten one, a crumbling precipice. No goat could climb it. It was not hard enough to give foothold for a spring. Rain-soaked as it was, strewn with huge fallen trunks, and rank with an incredible luxuriance of undergrowth, your goat might leap from tree to tree but at any moment he might start a land-slide that would be too quick even for his airy bounds. Nature's insuperable sign-post, her own authentic *hitherto shalt thou come*, not to be disregarded by the most audacious, seemed to have been reached by these trespassers at last. In their sore straits they were reduced to sending for the man who, they had flattered themselves, had been made a back number by their modern engineering. If any one could find a sheep-walk through débris of mountain tangle Sandford Fleming could. Hurrying to the spot, at the literally break-neck speed of two miles and a half a day over the last stage of his journey, he found waiting for him the last bequest of James J. Hill, waiting with such good tidings of great cheer as almost atoned for Hill's bitter defection. Major Rogers, lent by the president of the Northern Pacific for the mountain section work of the C. P. R. which the donor had dropped because of its black bog-hole of muskeg section, took Fleming for the walk of his life, well-wandered as that had been amid just such slippery jungles. It was up the hill now pierced by the great Rogers tunnel, from

## ENGINEERING DIFFICULTIES

the sheer side of which the traveller, leaning unconsciously against the frightful slope to hold the train up, and hanging like a fly in the crack of a wall, looks down over beetling perdition, down, down, all the way to a brawling torrent a thousand feet below. After that promenade, however, Fleming went home to Ottawa to say the thing could be done, and it was done. Gradients of one hundred and sixteen feet to the mile were needed both for the Kicking Horse of the Rockies and for Roger's jaw of the Selkirks. The climb, however, did not in the end amount to more than forty miles, and was found to yield without too desperate sobs and grunts to the snortings and sneezings of a second great Mogul's nostrils as he pushed out his long, round, stiff, steel rod with rhythmic pulses straight with the black sheath. Miles on miles of snow-shed-tortoises, combined with great piles of dwarfing timbers driven in deep high up to the ridges, shed the rattling and gliding avalanches as a pent-house shoots the rain. There is less trouble from snow on the Canadian Pacific than on the Pennsylvania railway—one more example of the universal fact that ills are least felt where they are most expected, because they are most plainly visible.

Last came the great bone of contention, the Lake Superior section. Hill could not swallow it—he had better fish to fry. Even Tupper had well nigh choked over that nasty fish-bone, had not

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Sir John been by his side to nip it out. The Grand Trunk had twice refused to touch it. Even Van Horne found it quite as tough a morsel as he could wish to try his teeth upon. Each foot along the shore of the lake had to be blasted into space. Each mile cost half a million. The rock was Laurentian, the oldest and hardest of the ribs that make the frame of earth. Van Horne soon found that he could not bore the whole of it. Two dollars a cubic yard was too much lard for that lean land. So, instead of going through, he made up his mind to go over, turned the spider from the mole, and threw out flying filaments in the air. That dreary waste became the scene of the most extensive of all conceivable varieties of trestle-work that has ever been seen anywhere. The cost was just one-tenth of the discarded dynamite and teams for hauling and, better still, the rate of advance was enormously accelerated.

There was need. The Lake Superior bit had not been done before the doing of it was amply justified and repaid ten times over in the saving not of treasure only but of blood. It was found that railways may be useful in spite of enlightened Liberals' kingdom of kitchen love and millennial peace through political economy, may be useful even where they earn few dividends, may carry other things than wheat-freights. Safety is worth much fine gold. The world is not so wise that trucks of soldiers may not sometimes be a good

## RIEL BACK AGAIN

insurance for philosophers who value their throats almost as much as the freest and most facile exchanges of the stuff they can only swallow with them. In 1885, Riel was back again—on the Saskatchewan this time. It was a race between Van Horne and the prairie grass. Thousands of Blackfeet ponies and their riders were waiting impatiently for that flower-starred verdure. Would it return before the white man's steel curb and iron yoke had tamed it down to settler's cow-fodder, and robbed the Redskin chivalry of it forever? They were straining at the leash there, and pawing the ground they felt ready to sink under them, waiting to sweep over the North-West as an autumn fire sweeps over that grass. If the grass had outstripped Van Horne it would have been, to put it mildly, a "serious set-back to the North-West." The damage to mere property would have been cheaply estimated by a great deal more than the total cost of the railway which, in fact, prevented it, to say nothing of the damage in reputation to the "New Dominion." What did Custer's campaign against Sitting Bull cost? Something to appal our Sitting Blakes both in purse and in good name. The Canadian government allowed a rebate to the member for the Hudson's Bay Company and the other members of his syndicate on several grounds. Among other items on the *per contra* bill, the saving of the very features, not to speak of the colour, of their face

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which he effected in the North-West would have figured high, just as he had earned much for the Hudson's Bay Company by a similar stroke of sculptural surgery. For in the one thing in which the Hudson's Bay Company had really rather shone, the treatment of the Redman, the Canadian government had come closer to the American level than to that of the sovereign Company, their predecessor in office, and but for Smith & Company they would have covered themselves with no more glory in the expensive manufacture of dead Indians, which their wretched and corrupt administration had made a pressing national industry, than had crowned their bad models in mal-administration, and the efforts of poor Custer. Van Horne did what General Rosser would scarcely have done for them, plucked them out of the bloody mud—worse than Riel had stamped for them on the Red River—like brands from the burning. The railway they had been forced against their grain to save strangled the snake before it was able to strike. There were still one hundred and fifty gaps between the boards of it just at the spot over the bogs which most needed planking. Van Horne, however, and the man whose brains and will were behind him, had spent their days of late, as all true men have done all along in this world, in pushing back the bars—among which the government themselves were not the least stubborn—of that rusty black encircling cage of

## TRANSPORTING TROOPS

ours which consists of the things that really cannot be done. Apart from the limits inspired by the multiplication table—Stephen's peculiar province—there were not many limits which could not be lifted by the man who had swept up to Roger's *cruz* by that day's work we saw, and, by way of wages, had met the need to find the Pass or else "go bust." He and his Irishmen—O'Learys with the square head of Joffre to make plans for them—could do most things when really "incensed." The gaps disappeared as if by magic. Rails were laid on snow and ice. It was like the great Brandenburg Elector going to meet his Danes. For where rails could not be laid and short-cuts were impossible those hockey-playing red-coats slid across the gaps. Sometimes they were carried in sleighs, packed in straw and furs "with care, this side up," like the most first-class of all possible freight, a very valuable wheat just then in that barren land which had at last produced a paying load. In four days after their good reverend sapper and miner, Principal Grant, waved them a God-speed from the platform at Kingston the soldiers were in Smith's courtyard among the huskies at Fort Garry and no doubt breakfasting sumptuously at his expense, an expense which he could now very well afford. Soon after they were in that other Hudson's Bay Fort at Qu'Appelle, whence the Métis had marched to the Seven Oaks massacre. What *would* you call it? A somewhat

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unusually cogent solution of the great geometric Q. E. D., which was for the C. P. R. people, as it always is for humans generally, to show that the dismal men of science are too modest, that a straight line is not necessarily the shortest distance, that shortness depends much more on the points than on the line, and that the true policy in the matter of railway points and lines is to take the shortest distance to the Kingdom of Heaven. In the end it always pays to seek that first, and emphatically not to follow the gravitating line of least resistance.

Before it was made, that all red road carried its very best freight, red-coat medicine for the Redskins. Had you seen it then you would have lifted up your hands and blessed General Van Horne. The very first thing it did after it was made was to drag up Kicking Horse and Roger's Passes a train full of munitions of war from Halifax to Esquimalt. Of what it has since done for Canada and for Great Britain there is no need to speak.

## CHAPTER XIII

### THE RECONCILIATION

**M**EANWHILE, what of "Donald A?" Not very long after the second of the two really momentous appearances which may be said to exhaust our interest in the strictly parliamentary side of his life, Smith disappeared from Ottawa for a while; forever from what Sir John had unkindly, but not untruly, called the rotten borough of Selkirk. His haunts among the ballot-mongering Métis knew him no more. It happened in this wise. In 1878, as we all know, honest Alexander Mackenzie, perpendicular as his own plumb-line, fell by the wayside, and ceased to be first minister of the Crown.<sup>1</sup> He perished by the too negative rectitude of a let-alone policy which was too meticulously safe to be successful, and too conscious of the vanity of human fiscal effort to be either interesting or enterprising. In spite of his untiring thrift and integrity, his penny wisdom in the pressing affair of railways, his inveterate love of canals, and his incapacity to cut the losses of that Avernian road, the Dawson route, cost the country tens of thousands of pounds. British Columbia, all the North-West, and even Smith himself at

<sup>1</sup> See Parkin: "Sir John A. Macdonald."

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heart had long been sick of his dilatory virtue and lily-white inactivity. A stern economist and spotless Rabbi of the Manchester Pentateuch, he was the very pedant of religious non-interference in all trade matters which, by the gospel of his faith according to Cobden, meant that man, that "fly on the wheel," could do no more to direct or deflect them from the orbit marked out for them from all eternity by majestic cosmic laws than Canute could to turn the tide. Sir John was in power again. Nothing but death could snatch the sceptre from his grip. He sat there till he was carried out feet foremost, enthroned on the two rocks whereon he built that State which was all the Church he cared for, the rocks of the National Policy and the transcontinental railway. These twin pillars implied each other, and all Smith's natural affinities were for both. He respected Mackenzie deeply, but in all burning questions of public action his whole heart and mind assented to Sir John. The other statesman's timid fumbling with the urgent need of the hour, steel rails to Vancouver, was a sore trial to his "independent" supporter, who had frequent cause to feel that the country, and especially his part of it, could better spare a better man than the joyous old sinner of a Great-heart who seemed now to have broken with him forever. One can hardly doubt that the five years of general drift were beginning, in the depths of his slowly-revolving mind, to make themselves

## THE MEMBER FOR SELKIRK

increasingly felt as a long enough fast-day and season of prayer and humiliation for his ancient allies, whose crime after all, had been the too fiery intemperance of their eagerness to get things done by hook or crook. Like all governments that had their spell at the troughs of office, they had needed to be hung up in the wind for a while to dry. That process of oxygenation might now be regarded as fairly complete. At any rate they came back with a rush, leaner and more wary, if not sadder and wiser, men. One of their first cares, too, was to repay in kind the benefactor they had so largely to thank for their refreshing interval of rest and their spacious place of repentance. The pious debt was soon discharged; the member for Selkirk was given a long, indeed a permanent, leave from the labours of his Western constituency.

At first, things ran in the familiar well-worn grooves. In 1878, Selkirk had duly returned him as an Independent, repudiating with an earnestness that betokened the struggling dawn of a new • light the hostile nickname "Mackenzie-ite." Unfortunately, the election had features which appeared to call for judicial examination. Hudson's Bay bills had been observed to burn abnormally large holes in half-breed pockets during those days. The shebeens of Winnipeg had done a roaring trade, a Noah's flood of tea had boiled upon its stones. Two judges looked into those

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phenomena and their possible connection with the results at the polls. The first had found the ballots white as snow. But Ottawa had been invaded by a sudden zeal for electoral specklessness which could not rest until assurance had been made doubly sure that there was nothing rotten in the state of Selkirk. The new brooms there, once far from free from germs themselves, were bound to sweep quite clean. So a second judge was invited to the microscope, whose diligence was rewarded by the discovery that his learned predecessor in this delicate case had once, a long time ago, borrowed money from the successful candidate absolved by him, the defendant in it. It would have been rather a distinction if he had not. To whom had Smith not lent money? He had long understood the gentle art of reckoning compound interest at seven per cent., ever since the days, in fact, when he had had occasion to lay out his weekly savings out of his salary of twenty pounds a year. The admirable habit at last proved to have its disadvantages. Judgment was given against him. At the bye-election which followed, the now omnipotent Sir • John, free to concentrate all the batteries of every conceivable kind of influence upon the lonely Fort Garry, had no difficulty in finding the means to ensure the desertion of its half-breed garrison. These, in fact, turned upon the hand of their old shepherd, seeing all of a sudden that he was no longer the fit and proper man for them. So, Smith

## IN VIGILANT OBSCURITY

ceased to feed them, and entered into an abiding rest from that sort of pastoral care and a holiday of no less than nine years from all parliamentary anxieties and wrangles.

He retired with a very good grace into a vigilant obscurity. He had never thrust himself into the public eye and just then, as it happened, it suited him very well to lie low. He made himself wisely scarce. He was keenly, though quite inconspicuously, interested in certain complicated, sometimes very uncertain, and always vitally critical, dealings with the government on the part of a combination of Montreal business friends of his, the new charter-holders of the C. P. R. These dealings marked like mile-stones several distinct points of departure in that arduous enterprise and it was his modest love of the shade, his steady abstinence from obtruding himself upon the notice of one of the high contracting powers, which contributed not a little to the smoothness of those highly sensitive negotiations. For the occupants of the treasury benches were supposed, more perhaps by a face-saving fiction than otherwise, to be still hot in their hearts against him. It can scarcely have been more than skin-deep. Sir John's nimble apprehensiveness could not have missed shrewd suspicions. Where Stephen was acknowledged head of the railway building firm, Smith was sure to be not far away. Who was it (when he needed them for necessary purposes), that said of the St.

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Paul-Minneapolis adventurers (for being one of whom he had once scurrilously abused Smith): "Catch 'em for the C. P. R. while their pockets are bursting with Yankee gold?" The saying bears its father on its face. The fact is that the rank and file of the party would never have forgiven even Macdonald for showing the least mercy to the "traitor," the Judas who had betrayed him with a kiss. Therefore, the traitor remained judiciously silent like a scapegoat in his wilderness, keeping a sharp look-out from a rock of wide view there, and sometimes signalling across the solitude to the High Priest's intimates on the verdant side of Jordan.

But this tragedy of revenge, which had long been a good deal of a farce, could not go on very much longer before an audience not entirely composed of hissing geese. Even Smith could not do good by stealth forever and a sentence of nine years' banishment from their beloved debating-society was enough to sate the vindictive passions even of Sir John's most truculent sectaries. When the feverish night-mare of that road-making through all sorts of spectre-haunted bogs and over the dizzy mountain-barriers had ended at last in a brilliant dawn and a reveillé of fame's trumpeting cock-crows, when Stephen was now Sir George, and plain Smith, Sir Donald, with two peaks of the Rocky Mountains called by their names, when anyone could buy for twopence the far-flung

## A FORMAL RECONCILIATION

photograph of Donald A. at Craigellachie, cheek by jowl with Sandford Fleming and Van Horne, and see in it the execrated pariah bending to the hammer-stroke that made the last spike ring "finis" to that thrilling chapter of Imperial history, there could be no more dissembling. The winter of internecine discontent was over. Donald and John, reunited by the very same railway which had played a great part in divorcing them, could kiss and make friends before all the world without a blush, like righteousness and peace. The formal reconciliation took place in a Montreal club. Whether what each man said to the other was worthy of the occasion, no man knoweth; what each felt in his heart he confided only to his wife, if even to her; but after such a conference of the powers, Smith could go back to his natural fold and be welcomed by the ninety and nine who had never left it. What had he ever had to do even as an "independent" in that galley whose horned crew had never ceased to stand factiously in Sir John's way (which was also Smith's, though few knew it at the time), clamorously and persistently butting and bleating and blocking at every successive stage of its labouring advance the greatest work of their two lives, both so crammed with deeds? Smith was now in his element among his peers who had never in the darkest hour despaired of the commonwealth, the makers of the two things that have stood, the National Policy and the

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C. P. R., and heartily at one with them in both. So, too, on the other side. When Montreal West, in the year 1887, returned by acclamation the illustrious Doyen of its then much fewer equestrian citizens, Chancellor of McGill University, joint-founder of the Royal Victoria Hospital, sole founder of the Royal Victoria College, no Conservative felt, and scarcely a single Liberal dared to hint, that the diligent nursing of that constituency, the dinners and garden parties in the palace on Dorchester Street, the cost of any one of which would have inundated Red River with its favourite Bohea for a month of Sundays, were scandals crying loudly for investigation by the High Courts of the Dominion. And when one fine evening in the fall of 1887 the "bear" of May the tenth, 1878, was conducted to his seat once more, this time on the right hand, the joy in those high halls was most evangelically unconfined, reducing all envious voices to silence. Sir John and Tupper who, almost the last time they saw him there, had made his "blood run cold with war-whoops," now led the ringing cheer.

After this edifying scene of reconciliation, the course of the member for the Hudson's Bay Company ran smooth, unbroken and wholesomely dull. Such events and dates as it had, have already been sufficiently indicated. Thenceforward, he enjoyed to the full the parliamentary happiness which comes of having no history. And yet, if all tales be

## THE LIBERALS IN POWER

true, he had but a narrow escape from further lively times in the old arena. There was a moment just before he quitted it for good when it seemed as if he might have been chained there by a life-sentence. There is reason to believe that when Sir Charles Tupper, in 1896, was summoned from England to succeed Sir Mackenzie Bowell in the headship of the Conservative party, a section of that party were by no means oppressed by longing for his return. There was a certain robustness in the methods of Sir Charles which, in the eyes of some of the faithful on his own side, appears to have gained in beauty by distance. They liked him best in London. So, rather an active intrigue was set on foot to keep him there in his place as High Commissioner, and entrust the conduct of the party to Sir Donald Smith.

What would have happened had it succeeded? One thing at least is fairly sure. Smith could not have won an election which the "old war-horse" failed to win. The fact is, no one could have won it for that band. In the periodicity of politics, which seems to be just as sure as the ebb and flow of the tides, the Liberals' time had come round again. Their rivals had by that time quite gone to pieces. They could not so much as make a decent show of coherence among themselves. It was well for Smith that a kind fate spared him the hopeless task of attempting to lead to victory what could only begin to be cured by shattering defeat, and

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of reorganizing that mass of staleness. More time was needed than even he could spare them at his age, though he did live to see them in power again, time for better impulses to grow in the chill air and sobering shades of adversity, time, too, for fresh blood to spring up and mature. Donald A. had, it is true, shown much power of adaptation, and played almost as many parts as Shakespeare assigns to man's life in general. Without ever dropping a single activity he had once taken up, or throwing any of his masks away, he had, like an ancient actor, exchanged each in turn for a fresh one with a loftier brow-piece and a more swelling robe. Continually self-surpassed, he had always moved on and up from what might have been well enough for most other people, to something better still. But would this have been better? The new rôle would scarcely have suited him. For a long time to come it would have been one not of action but of mere criticism, and Donald Smith was no wizard in mordancy. The oil-can came much more natural to him than the vitriol-flask. Sir Wilfrid Laurier, carrying on the fiscal principles which were anathema to the most eloquent of his own supporters, and going one better on railways than the often excoriated recklessness of his predecessors in office, resembled an upside-down Sir Robert Peel much more strikingly than Donald A. in Opposition would have recalled the brilliance of Disraeli rubbing in the brine of such little incon-

## HIGH COMMISSIONER

sistencies. The next great issue for us after Confederation, and the National Policy and C. P. R., which were the corollary and crown of Confederation, has been for some time, and still is to-day, the part we shall play in that to which all these have led up, the closer clamping together of our—in all but spirit—utterly ramshackle Empire. On that truly living issue, the greatest of all, Donald Smith would have been quite sound in every fibre, but he would not have been a more resolute or creative leader along that path of destiny than Sir Robert Borden.

On the whole, then, we may be glad that things happened as they did. Tupper fought a gallant though a fruitless fight in Canada, adding new lustre to a reputation already great, and made room in London for a High Commissioner who was, as it were, cut out by endowment and experience for the precise measure of his chair. Nothing in Smith's parliamentary life became him better or turned out more happily for him than the leaving of it. The time had come when he could do his best service at the centre.



## CHAPTER XIV

### THE HIGH COMMISSIONERSHIP

IN 1896, Sir Donald Smith was appointed High Commissioner for Canada in England, and sailed for London to take up his residence in a place where, in spite of a large connection among financiers and business men, he was yet a stranger. It was an unusual move for a man of seventy-five, and one destined to make his name more widely known than his greatest achievements had ever done. The real work of his life was over, as at such an age a man's work must needs be, but yet this quiet evening of his days when the clouds of physical hardship, strenuous toil, and nerve-racking anxiety had cleared away was to bring him such widespread popular applause as his working hours had never known.

The duties of the High Commissioner include certain specified things such as controlling the management of the public debt and taking general charge of all arrangements relating to the finances of the Dominion. Beyond this they are, briefly put, to do everything in his power for the advantage of Canada and Canadians. Obviously, he may fill this blank commission with any writing that seems good in his own eyes, and when Sir Donald

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Smith assumed office he did not fall heir to many of those clinging traditions which hamper the course even of the strongest man. The post was not old enough for that. It had been created in 1880 by Sir John Macdonald, and had been held from 1880 to 1884 by Sir Alexander Galt and from 1884 onwards by Sir Charles Tupper, who only came back to Canada in 1896 at the urgent call of his party. Sir Mackenzie Bowell, the Conservative premier of the day, was struggling against a disaffected Cabinet as well as a clamorous Opposition. The country was convulsed over the deadly question of the Manitoba Separate Schools, a question in which the unending strife between Catholic and Protestant, acute enough in all conscience, grew more bitter in its unlucky combination with the jealousy of a provincial government which saw, or fancied it saw, its autonomy outraged by the Dominion. The Opposition, led by Mr. Wilfrid Laurier, was prepared to force a general election. It was at this moment that seven Cabinet ministers resigned their portfolios. Evidently the strongest man in the Conservative party was needed to face such a crisis, and Sir Charles Tupper, who was at the time in Canada, resigned his High Commissionership, succeeded in gathering the party together, and prepared to contest the coming election with the same high-hearted lust for battle which had so often won him victory before.

## AN IMPERIALIST

But in the meantime the office of High Commissioner must be filled. The place was offered to Sir Donald Smith, then representing Montreal West in the Dominion Parliament, and he accepted it, rather to the astonishment of the premier and decidedly to the consternation of some of his old friends, one of whom wrote to him: "I hope it is not true that you have accepted the post. It would in my opinion be a fatal mistake—fatal to your peace of mind, to your health, and also to your fame and happiness. Moreover, it will prove to be but an empty honour, and your enforced retirement in a few months will surely follow. Mackenzie Bowell cannot possibly carry on and Laurier will come in. If you accept you are laying up a fresh sorrow for your old age." Nevertheless, as usual, Sir Donald inscrutably went his own way, and by the time the elections were taking place in Canada he had been sworn in as High Commissioner and Privy Councillor and had made a speech at the Congress of Chambers of Commerce of the Empire meeting that year in London, in which he sounded the Imperial note that was to dominate all his utterances throughout his long tenure of eighteen years: "We have other and higher objects to attain—the closer commercial unity of this great Empire; and those who run may read not only the issues that are at stake at the present time but the very much greater issues that must make themselves apparent in the near future." And, though

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the candid friend quoted above was perfectly correct in his forecast regarding Laurier's probable success at the polls, Sir Donald's "enforced retirement" did not "infallibly follow." On the contrary, Mr. Laurier's promptness in expressing the hope that the change in government would not prevent his retention of office, marked a fresh beginning in his London life. In the following summer he was honoured by being raised to the peerage under the title of Baron Strathcona and Mount Royal. He lived out the fifteen years of the Liberal régime, received the same courtesy from Mr. Borden when the Conservatives regained office in 1911, and at last died High Commissioner in his ninety-fourth year.

During these eighteen years two words were constantly on his lips and in his heart, Canada and the Empire. He was, indeed, in his own person no bad example of that spirit which in ways never dreamed of before is slowly changing a heterogeneous conglomerate of colonies into something approaching an organic unity, that strange something which we call the Empire, throwing a new content into the word to describe a thing new under the sun. He was a fervid Canadian. He loved his adopted country, believed in her and claimed for her the fullest autonomy and independence of movement. He would have resented any infringement of her liberties. But in this apparently disintegrating and centrifugal affection for the part, he somehow

## THINKING IMPERIALLY

found the source of a heightened devotion to the mighty whole. It had been the story of all the colonies, an old story now, though there are still some, or were before 1914, who fail to grasp its tremendous reality and significance.

To "think imperially" was not so common then as now. It was not so long since annexation to the United States had been regarded as the inevitable fate of Canada, and few would have ventured to predict ten years earlier that history, affection and free-will would, in the end, prove stronger than geography. Even in 1896 the Colonies (they were not called Overseas Dominions then), were only beginning to feel the stirrings of a dim perception that there was something better for each of them than a selfish isolation helplessly awaiting, with more or less consciousness, a predestined future sundering of all ties with the Motherland. The first faint thrill of a common life was beginning to blow among the dry, disjunct bones. Within the next five years the tiny germ of Empire thawed out by this quickening spirit was to emerge to view, a most promising sapling, if not a mighty tree. Fate, that seemed adverse at first sight, really favoured. A war broke out of the kind in which colonial assistance both moral and material was most precious. The colonies, without a moment's hesitation except a perfectly natural twitter of doubt from French Canada ere it was quite awake, flew to give that help. The storm

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that threatened to uproot the new birth only rocked the cradle. Not a little was accomplished, too, by the ceaseless efforts of a group of men who saw farther than their fellows. Among this band of pioneers we number Lord Strathcona. His share in carrying through the C. P. R. was, as we saw, a crucial service to the Empire and was rendered as such with a perfectly clear consciousness of the vast political issues at stake. He was not then thinking of Canada alone. He knew quite well that Canada was only part of a larger system. Without pondering it much he was quite as vividly aware as Sir John Macdonald himself that he was born a British subject who, with all his soul and strength and mind intended to die one, and he knew that his iron horse vanquishing the distances of the illimitable prairies was a winged steed ridden by a winged Victory for the good and glory of his native land as well as of his adopted one. As the years went on, this deep undercurrent of feeling had grown clearer and come up into the light in a more rounded and substantial form, not altogether, perhaps, in consequence of any ruminations of his own, for his was not a very originaive mind, but in instant response to the vision of a few men whose words appealed to all the inarticulate loyalty in him. There were a few who "were deeply impressed alike with the magnitude of the interests which all parts of the Empire had in common, and with the dangers to which in the

## STEADY AND PRUDENT

absence of organized coöperation they would all be exposed. . . . And above and beyond all these prudential considerations, they were fired with the idea of a great political fabric, the like of which the world has never seen, an Empire "on which the sun never sets," not, however, like the empires of the past, controlled from a single centre or held together by a despotic authority, but maintaining its parts in organic autonomy as a free union of independent though inseparable States, responsible for the peace and good government of nearly one-third of mankind, conscious of a common destiny and animated by a common patriotism." He became one of them, heart and soul. His allegiance to Mr. Joseph Chamberlain was matter of common talk, and, at times, of partisan complaint. And one thing his biographer can most confidently claim for him; having once fully seized the idea of Empire he never despaired of its realization any more than he had despaired of the Canada that was to be, even when the Canada that was seemed most immovably remote from it. His hope glowed like a well-restrained but unquenchable fire. He was an old convert and practitioner of the doctrine of *festina lente*—no haste, no rest. When men were confident and optimistic he was steady and prudent, when men were disheartened and beginning to lose courage he was still steady and prudent, always alert to forward every project however small which might

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help on the great end, never impatient for quick results. The Jubilee festivities of 1897, with the meeting of the Colonial premiers in London, evoked a burst of loyalty on the part of the Colonies and of interest and affection on the part of Englishmen which seemed suddenly to knit the whole Empire closer together. Before the impression had time to fade, war broke out in South Africa and with it a rush of generous feeling in the Colonies which drove their sons to help "the old gray mother." The wave of enthusiasm swelled higher and higher. The welding was practically accomplished, men said; the blood of Canadians and Australians had mingled with the blood of Englishmen and Scotchmen on the African veldt and such a cement could not fail to make an indissoluble fabric; constructive organization might be difficult, but all difficulties must disappear before the united voice of the British peoples scattered over the seven seas. In the first eighteen months of the twentieth century men were cheerfully confident that some definite shaping of the scattered limbs of Empire into an ordered system was a matter of to-morrow, or of the day after at the latest. The Colonial Conference of 1902 was to be epoch-making.

More than most men, Lord Strathcona might have been carried away by the intoxication of this triumphant partnership in war. He had spent his treasure freely to equip a force for the Imperial

## AN IMPERIAL PARLIAMENT

cause. He had been thanked and praised on all sides. His soldiers had been lauded even to fulsomeness and much had been said, some sense and some nonsense, about the benefits that would flow from their exploits. Yet, on the very eve of the Colonial Conference of 1902 he wrote:

“Without doubt, a general feeling prevails in favour of closer union for Imperial purposes, for commercial purposes and for defence, a closer union which will assure the different parts of the Empire full liberty of self-government while giving them a voice in Imperial policy. There are some who think that the solution is to be found in the representation of the Colonies in the Imperial Parliament. I am not one of those who share that view, at any rate until a truly Imperial Parliament to deal with Imperial affairs can be established. .

. . In times to come it is within the bounds of possibility that there may be local parliaments to deal with local affairs in England, Scotland and Ireland, and we may also then have a Parliament with representatives from the different parts of the Empire which will be Imperial in name and in work. But even on such a basis, the Empire is so vast in its area, and so varied in its resources and in its interests, that the solution for which we are seeking will be surrounded by many difficulties, and he would be a bold man who would undertake to frame a measure which would satisfactorily meet the requirements of the situation. We are, how-

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ever, approaching a period when all parts of the Empire will want to have a voice in the Imperial foreign policy, and in other subjects affecting the well-being of the community in general. This is not unnatural, and there can be no true consolidation until it is brought about. How it is to be done I am not prepared to say. But some way must be found of meeting the requirements of the Colonies."

The paper from which these words are taken is eminently characteristic of the man. There is in it the same cautious moderation of language covering a deep tenacity of purpose which was in the replies he wrote thirty years before on behalf of the Canadian government to Louis Riel's importunate questionings. And though he is "not prepared to say" just how the great goal is to be reached, he never loses sight of it for a moment or misses the slightest step towards it. With the same quick eye he showed in Labrador forty years before for hopeful infinitesimals, the pence that can be trusted to look after the pounds if you give them time, he seizes on every little stone that can be turned the right side out to fit into a crevice of that unobtrusive foundation of mutual knowledge and interest on which alone all towering far-seen edifices of state can stand. He enumerates the "stepping-stones to closer union" as follows:

The creation of the Australian Squadron.

The construction of the C. P. R.

## COLONIAL CONFERENCES

The Preferential Tariff given by Canada to British goods.

Improved means of inter-communication.

The Pacific Cable between Canada and Australia.

Imperial Penny Postage.

The help given by the Colonies in the Boer war.

And he himself had played a weighty or decisive part in the accomplishment of five out of the seven.

But the Colonial Conference of 1902 fully justified the sober prognostic of the High Commissioner. With the British government refusing the request of the Colonies for preferential trade and the Colonies looking very coldly on any hint of military service which did not leave the entire control of their forces in their own hands, a rude jar was given to optimistic forecasts. At the first attempt to set the machine in motion the wheels had creaked dismally and for some time after that it became the fashion to leave them severely alone, lumbering in the old ruts. There was in fact a distinct revulsion of feeling. Unification was sadly postponed to an indefinite date. Yet, in 1907, when another Colonial Conference had only confirmed the impression made by that of 1902, Lord Strathcona was still cheerfully working away at his unconsidered trifles, labouring to obtain a reduction of postage on newspapers from Britain to Canada with a view to bringing

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Canadians more into touch with British affairs, and industriously agitating in favour of the "All-Red Route," a scheme for connecting Britain by fast steamships with Eastern Canada, and Western Canada with Australia, the link of the transcontinental railway spanning the land-bridge between. The postage was reduced in 1908; in spite of all efforts the All-Red Route has not yet come fully into being.

It is hard to make a distinction between the High Commissioner's work for Canada and his work for the Empire, because all he did was done simultaneously for both. But as in those days Canada's greatest need was more people, with a view to win emigrants of the right sort he went up and down the highways and byways of the United Kingdom, speaking at every sort of public gathering, describing in concrete and homely detail farm life in Canada and the path opening up in the great new country for young men with good strong arms and a modicum of intelligence to guide them. His agents were everywhere supplementing his personal work. After 1898, under the incomparably energetic impulse of the Hon. Clifford Sifton, the department of the interior established a separate emigration office in London, giving its whole time to that work, but the Commissioner never relaxed his efforts and it is only the fury of interested prejudice that can question the fact that to him falls a large share of the credit for the great

## BRITISH IMMIGRATION

increase of British immigration, which rose from about 10,000 in 1897 to 138,000 in 1912. His merits here are far from being exhaustively represented by the actual number of speeches made, the intending emigrants interviewed, or the agents put in operation. Making all possible allowance for what was accomplished in this way, permanent success depended in the end on the actual facts about Canada. Was the fertile land there? And was it within reach of markets? These were the two crucial questions, and for the emphatic "yes" happily available in response to the second, Canada might thank Donald Smith and the Canadian Pacific. For many years he endeavoured to increase her debt to him by establishing a line of fast steamers sailing from England direct to a Canadian port, able to compete with the speedy New York lines and thus likely to tip the scale in favour of Canada with many an emigrant. He had observed long ago that such people nearly always prefer the shortest passage. It was not easy to find a company which would undertake it, and in the end it was again the C. P. R. Company which made the venture.

But his transcendent value as an advertisement for Canada lay in his own mere existence, his own career and the impression of his appearance to the eye. No moving picture in a cinema show could speak so alluringly of the unbounded possibilities of fortune in a land which had produced in this

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kindly and shrewd old gentleman with the bushy white eye-brows, the achieved type of a hero drawn by Samuel Smiles. In that solid and far from disconcertingly brilliant presence wealth beyond the dreams of avarice seemed within the reach of the most pedestrian Anglo-Saxon "perseverance." The heaven of the race had come down before their eyes in grey top-hat. It was no wild dream any more, but "a sober certainty of waking bliss." The superficial homeliness which veiled the rare inarticulate manhood, hidden in the depths for the most part both to himself and others, of this formidable personality exercised the most potent spell upon an audience of Englishmen or Scotchmen. This was no will o' the wisp! The very figure on the platform breathed a balm of priceless confidence. Donald A. Smith's chief value to Canada in these days was just Donald A. Smith himself, and next to that was something very closely akin to that—the steady good sense with which this High Commissioner plied the unpopular part if not of a "knocker" at least of a damper and brake. He never ceased by word and pen to clip the wings of that rampant and avaricious optimism which has done more than anything else in its insane eagerness to boom the west, to give Canada a distinctly purplish eye in the view of the English investor.

Of the emigration propaganda carried on upon the Continent during these years it is difficult to

## THE EMIGRATION AGENT

speak without the suspicion of a smile. There is an irresistible suggestion of comic opera in the spectacle of agents scouring the European countries disguised as pedlars and hawkers, evading and deliberately breaking the rigid emigration laws of those lands and falling into scrapes of every degree of seriousness, treating it all as a great game and triumphantly pocketing their bonus when an emigrant was definitely hooked. But the smile fades when one realizes that a veritable door of life was being opened to these people. The Doukhobors, the Finns, the Galicians, the Poles who swarmed over to Canada were slipping away from intolerable oppression and grinding burdens, and the emigration agent, in spite of his cheap and florid talk and the occasional sordid heartlessness of his deception, was a true evangelist to them.

On one memorable occasion Lord Strathcona himself narrowly missed kindling an international complication by becoming the scapegoat of this somewhat shady propaganda. By a curious lapse from his habitual caution he thrust his long head into the Prussian eagle's cage, a much more perilous place for it than in his old prison in Louis Riel's primitive mouse-trap from which even Schultz had had wit enough to break away. Retorting upon the German Empire that policy of peaceful penetration in which it has shown such incredible dexterity, he appeared one fine morning in Hamburg, the citadel of Herr Ballin himself,

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and addressed what in his entire innocence of the Teutonic language and institutions he took to be "a crowded audience of steamship booking agents," which was in reality a company of wharf touts whose professional impudence had so far defied their native police force as to indulge the natural curiosity invincible even in the docile Boche to hear a speech from a live English "milord." His lordship persuasively, in his native dialect, expounded the allurements of the liberal system of bounties which might be earned by skill in diverting to the Western prairies the cannon-fodder of the Imperial War-Lord. Luckily, the orator did not stay a moment to gather the echoes of his eloquence on the spot. Had he done so he would undoubtedly have made close acquaintance with an administrative machine of a somewhat different quality from the genial incompetence so familiar to his youthful studies of the good old Company's rule at Fort Garry. Spanda might well have swallowed him up. As it was, nothing worse came of it than a solemn protest from the German Ambassador in Great Britain, Count Hatzfeldt, addressed to Mr. Joseph Chamberlain, a warning from the latter that henceforth his disciple must abstain on pain of immediate incarceration from further pursuing his political education in any part of the German Empire, and finally the awkward necessity of withdrawing from public notice as "strictly con-

## AN IDEAL HIGH COMMISSIONER

fidential" a somewhat complacent report of the unfortunate raid upon the Fatherland which had been promptly despatched to Ottawa. It is a satisfaction for the ordinary mortal to find that just as Homer sometimes nodded, so the almost inhuman circumspection of the cautious Scot did not save him from occasional blunders. Like the spots in the sun, however, or those patches on a fine complexion affected by the beauties of Queen Anne's time, such rare delinquencies in discretion served only as foils to heighten the general effect of an almost chilly correctitude. No successor can possibly have an easy task in keeping up the pace set by Canada's ideal High Commissioner. In his eighteen years of tenure he impressed a stamp upon his office which is likely to create a tradition as exemplary as it is unattainable.

He was the first to recognize punctiliously its non-political nature. Sir Charles Tupper had been a member of a Conservative ministry while acting in London, but Lord Strathcona regarded himself as having stepped altogether outside of and beyond Canadian politics in becoming High Commissioner. He was the representative of the Canadian people in England, for the purpose of acting for the government of the day representing the Canadian people, whatever its political complexion might be, and it would be hard to point out a single case where he fell short of the line of conduct he had marked out for himself. This was possible

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for him as it might not have been for many men. His party ties had never been very close; he had sat on both sides of the House and was fond of describing himself as an Independent. He had made himself equally formidable and indispensable to both Liberals and Conservatives. But in addition he possessed an iron self-control hiding every trace of personal feeling, built up by the Spartan discipline of the Hudson's Bay Company upon the natural silent strength of his character, which had been a supreme asset through his years of struggle, and was now hardening in old age into a sort of superhuman detachment and aloofness. A very old man, always with a certain detachment of manner, as if he had passed some boundaries of time and space beyond his fellows, and while occupied and keenly interested—"really alone with himself," wrote one who saw much of his later years. It was this impersonal Olympian attitude, backed by his earnest love of his adopted country and deep-seated belief in her destinies, that made him to the popular mind what a London journalist called, "Canada in a swallow-tail coat"—a stately figure worthily embodying in his own visible person the history and aspirations of the Dominion which in consequence he represented as it is never likely to be represented again.

And this figure walked surrounded by a golden mist, sure evidence to the people of its divinity.

## REST AND RETROSPECT

His great wealth was also a real practical advantage for the fuller discharge of his duties. It enabled him to throw round his position an atmosphere of splendour and magnificence well befitting the ambassador of a great people. He used it as British statesmen have always used theirs in unceasing hospitality, usually on a splendid scale. Early in his English years he leased Knebworth, the historic seat of the Lyttons, and later on he acquired an estate in Glencoe, both of which were constantly thrown open to his friends or the friends of Canada. The storm and stress of his life was over. This was the period of rest and retrospect. Not that he rested in the sense of ceasing to work. There is, indeed, something more pathetic than admirable in his devotion to regular office routine, an insistence on doing himself a mass of trifling things which might have been much better left to subordinates. But no tremendous issues hung on his labours any more. His active life was over; the strong man had run his race rejoicing; it was the still and gorgeous hour of sunset.

All kinds of honours, of course, fell to him. He lived long enough to survive the violent animosities inflamed by his services; to wear his aureole and listen to his own legend and, indeed, in great part to believe it; to read with his own eyes the judgment of posterity before the night came on. In 1897, as we have noted above, he had been created a Peer of the United Kingdom and had chosen for

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himself a title which linked together the new home and the old, Baron Strathcona (the Gaelic form of Glencoe) and Mount Royal (looking back to that city where his triumphs had been won). In 1900 by a special grant the peerage was made to descend to his daughter, as he had no son. Thus was gratified that Highland ambition to found a family which he shared with one of the greatest of his countrymen, Sir Walter Scott. Some years before he became High Commissioner he had been made Chancellor of McGill University and in 1899, a fresh dignity came to him when he was elected Lord Rector of Aberdeen University. In 1910 he represented both McGill and Aberdeen at the centenary rejoicings of Berlin University and had the honour of being chosen from among all the numerous academic Britons in that illustrious assembly as the spokesman of the universities of the United Kingdom and the Empire. In a word, he was everywhere given a place in all that expressed the noblest life of the day.

A great deal of his time was occupied in administering his vast wealth. He had earned it well—enriching thousands in the process of his own enrichment—and he spent it wisely. His investments in the Kingdom of Heaven were as cautious and well directed as his ventures with the Mammon of Unrighteousness. Much went to McGill University to which he made repeated gifts. He built

## PRIVATE MUNIFICENCE

and endowed in connection with it the Royal Victoria College for Women at a cost of about \$1,000,000; he spent a couple of millions in conjunction with his cousin George Stephen, now Lord Mount Stephen, to whom in this case as in many others the credit of the initiative was due, in building and endowing the beautiful Royal Victoria Hospital in Montreal; a million dollars went to raise the Strathcona Horse; that splendid gift of private munificence to the Empire which, unexampled in its day, has been so prolific since, in that noble crop of similar free offerings in the cause of Great Britain and humanity with which individual Canadians, especially, astonished the world at a time of still more deadly peril. Another million went to King Edward's Hospital Fund, while Aberdeen, Yale, and Queen's Universities all benefitted by him to a greater or less degree. But these splendid gifts were probably less of a drain on time and strength than the smaller ones which were not blazoned abroad but which poured forth in a ceaseless stream.

It is pleasant to remember that among the lesser causes which had Lord Strathcona's constant support, one was the heroic work of Dr. Grenfell on the coast of Labrador. It was forty years since the Hudson's Bay clerk and factor had lived in Labrador but he had never forgotten the people there, their poverty and bitter need; and when he saw a brave man giving his life to fight their

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sorrows he was quick to put weapons in his hands. His chief contribution to that noble effort was the priceless one of a hospital ship by whose aid the doctor has brought light and healing into many a life hidden far away out of sight in the fog and foam among those cruel rocks. It is another instance of that steady faithfulness which was his greatest quality. Here is another not less typical of the man.

On his last journey across Canada, when he was eighty-eight years old, he met with an accident in the Okanagan Valley in which he escaped serious harm half by a mere miracle, half by the heroic self-possession of another man. He was being driven in state about the famous Coldstream Ranch, the mayor of the nearest town, a noted horseman, holding the reins. As they descended a steep hill at the foot of which the road turned sharply to skirt the shores of a lake, the brake slipped, and to the horror of the mayor the horses ran furiously down the slope and could not be checked. Straight ahead of him was a precipitous drop into the lake, on either hand was a barbed wire fence, and he was responsible for the safety of the High Commissioner of Canada! He made his choice in a flash and, wheeling the horses to one side by a desperate tug, charged the barbed wire fence. Lord Strathcona escaped almost unhurt but his deliverer suffered serious injuries.

The rescued nobleman never forgot. Through the weeks of bed-ridden danger and lassitude

## DEATH OF STRATHCONA

which followed for the mayor he sent repeated inquiries, and year after year, long after all the injuries had healed, the gratitude still flowed. Grouse from Glencoe came with unfailing regularity with the best compliments of its Lord to the man whom he had seen but once. It was like him. He never forgot a friend any more than he forgave an enemy.

He had grown very old, but though he more than once suggested retiring from office, and even went so far—he would have been very loath to be taken at his word!—as to be introduced to his own successor, Sir Frederick Borden, and even as to have Sir Wilfrid Laurier announce his resignation at the Dominion Day banquet in 1911, no effective steps were ever taken to disturb his inveterate tenure. Sir Wilfrid did nothing before he went out of power in the same year to convert the formal resignation into actual fact, and when Mr. Borden assumed office he persuaded the High Commissioner to remain where he was. And there he did remain until the end, although it would be foolish to deny that the infirmities of old age had begun quite visibly to tell upon him at last. On the twelfth of November, 1913, Lady Strathcona died after only five days' illness. Ten weeks longer he lived, a stricken man, left alone by this abrupt ending of a union which had lasted for sixty years, then on the seventeenth of January, 1914, he, too, closed his eyes upon a world in which for nearly

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ninety-four years he had played a valiant part.

They would have buried him in Westminster Abbey among his peers. As it was, his obsequies were celebrated in that high temple of our race filled with the bowed heads of all that was most eminent in England; the centre in that hour for the mourning of a vast Empire which no one individual of the three generations whose contemporary the honoured dead had been, had laboured more steadfastly, more faithfully or more successfully to consolidate than he. But when we Canadians cross the sea to strew with flowers the grave of him to whom we owe so much it is not there, among poets and kings and captains enshrined for everlasting glory in the Valhalla of a great nation's memory and pilgrimage, that we must seek his monument. We need not cross the sea for that. Our Canada is his monument. But his tomb is in a humble God's Acre, Highgate Cemetery. He was faithful to death. Amid all the loud praises that is his highest and most characteristic praise. He rests in London side by side with the wife he had won in Labrador.

Hand in hand with her he waits the Resurrection of the dead. Meantime, his works do follow him here before our eyes.

## CHAPTER XV

### THE REAL LORD STRATHCONA

**T**WO very different estimates of Lord Strathcona have found their way into print. His official biographer, inclining to that curious heresy which has always haunted the hagiographer, conveys the impression that his saint not only never sinned but that, like a miraculous piece of perfect clock-work wound up to go right forever, he was mechanically incapable of sinning. That a pioneer, a railway-builder, a Canadian politician, a man who had to do much rough work among very rough people, should, by the very nature of the case, have been almost unavoidably compelled at times to own the principle that "all is fair in love and war"—and big business—and should occasionally have been driven to follow and take cover under Luther's broad banner and device, the *pecca fortiter*, does not seem to occur to this silken Euphemist. As we turn over his many pages we are conscious all through of assisting at an apotheosis. The "devil's advocate" is not heard. We see nothing but the eagle soaring from the funeral-pyre. Our paragon, it seems, must be *sans peur et sans reproche*. There is not a blot on his 'scutcheon, scarcely, indeed, a dint upon his sword. He moves

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without once faltering through all obstructions, which to this conquering virtue are but shadows, turning neither to the right hand nor to the left, straight as an arrow to his exalted goal, a huge fortune and the heaven on earth of the House of Lords. Never for a moment does he stop or stumble in his ascent. He can do no wrong. His garments are "unspotted by the world," "without spot or wrinkle or any such thing." From the time that praise was ordained out of his suckling lips and an eleemosynary twopence out of his infant hand for the joy of a needy bereaved family in Forres, throughout his weary days in Labrador, and the storms, anxieties, hairbreadth escapes, and triumphs of Red River, Ottawa and Craigellachie, all along the long bee-line of a road to that great day when he, a Peer of the Realm among his peers, waxing bold to bring the mellow and to him familiar light of trans-Atlantic freedom to bear upon the obscurantist marriage law of England, eloquently pleaded the cause of the deceased wife's sister at Westminster in the gilded chamber of the most august Senate in the world—from first to last, amid all these chequered scenes of trial and temptation, he never, by this way of it, made one false step; never did what he ought not to have done or left undone what it had behoved him to do. He was always wise, always strenuous; impeccably and transparently honourable in all his dealings. His life is a record of sheer perfection

## TWO FULL-LENGTH PORTRAITS

written in a monochrome of spotless white. He was the Bayard of the fur-trade, the whole propulsion of the Canadian Pacific railway, the only-begotten Canadian Lord High Commissioner, our Lady of the Snow's unique, most lady-like, Grand Old Man.

Such is the one picture, not unlike the famous statues, seen at our exhibitions, moulded in butter, scarcely more exciting and but little more weather-proof. There is another one. We may find it in a book called the *Life and Times of Lord Strathcona*, written with a lurid zest by Mr. Preston, once the organizer of the Liberal party in the Province of Ontario, and afterwards Canadian Commissioner of Emigration in London. The writer ought to know the events he describes and the actors in them from the inside. He was "himself a great part of these things." He lived through most of them, not merely as a highly interested spectator with entrée behind the scenes, but sustaining a rôle of his own upon the stage, not a very lofty part, it is true, and one too notoriously not likely to be of conspicuous innocency, but at least a responsible and important one. All the more astonishing is the account by this organizer of the Liberal party of the life and times and character of the man whom he depicts as the disorganizer not only of that party but of the whole public life of Canada. No one can say that his picture is not interesting and exciting. Milton alone could match

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this tableau of blue ruin and general damnation. To look at it scorches one's very shoe-leather. Like the fat boy in *Pickwick*, this Canadian Danté of ours is bent on making our flesh creep. He overdoes it. We cannot take him seriously. 'Tis too bad to be true. We end by laughing in his face, just as we laugh at Victor Hugo, the only other romancer who has pulled a horrid face at us through anything like the same sort of mysterious horse-collar.

Yet violent and incoherent as Mr. Preston's picture is, it is infinitely richer in suggestion than the carefully documented mass of insipid perfection which is adumbrated in the unlighted and uncorrelated facts dumped down before us in the other case. What does our *liberally-organizing* friend of virtue, this most angelic Michael Angelo of ours, give us then? Not a living figure, in spite of all the too lively excitement. Rather at bottom a pure generality, a full-length catalogue of the points of the "Unspeakable Scot." A baleful dog-star or cur-constellation that never hastes and never rests. Far-seeing, sagacious, as self-restrained as self-seeking, slow to wrath but no less incapable of true forgiveness than of true love, "grippy" as the grave; and moving with the cold persistent massive infinitely retarded but undeviating process of death or a glacier from endless leagues away to a fixed goal, quite definitely imaged and calculated with precision, from the start. But above all, absolutely self-seeking, and shrinking from nothing

## A DEFAMATORY PICTURE

whatever; with a single eye to power and pelf. And then, deadliest of all, all this under the fairest mask of persuasive and convincing reasonableness, patience, justice, kindness, and a hospitality "bounteous as mines of India." Nay, he has much reality of these sweet dispositions in natural endowment of the blood, and heartiest most unaffected pleasure in the act of turning them, as this "mildest-mannered man, that ever cut a throat or scuttled ship" invariably did, with strictest economy, unerring adroitness, and quite successfully simulated spontaneity, to the furtherance of those vile and utterly selfish ends which he never lost sight of for one instant. We see him here always behind the scenes; he is never in the open save to dissemble, pulling the strings of his puppets whether they know it or not. His puppets, not to count the chubby English dupes, are all the Canadian politicians of his time on both sides of the House. He saw to it that they caught his plague. Bribes were his vehicles for the germs of the virus. Bribes, coarse or fine, in every shape and form. Cash down it might be, cheques, shares in railway stock, diamond necklaces to wives or paramours, fat wads to campaign funds; loans on I.O.U.'s, sometimes, with an eternally blasting magnanimity, remitted—and at the same time blazoned abroad—in his last will and testament; dinners, assiduous flatteries, long blockades of inexhaustible civilities and delicate observances.

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Are we then to believe that before these well-wreathed horns and hoofs from the Western prairies got entrance there, Canada was the abode of unsullied innocence, a political Garden of Eden! There had been no Grand Trunk railway, much less an Intercolonial! Never a whole-souled French-Canadian voter, pure as his ancient *fleur-de-lys*, never a seraphic corner-street loafer in Halifax or Toronto and the small Ontario towns, who had not lifted both his snowy virgin hands to Heaven in child-like prayer, and strained their utmost force, until the knuckles were even whiter than the palms, in the dewy passion of his maiden heart to bring Confederation in! Ere she knew that grimy Smith, Canada knew nothing. Now, alas! she is little better than one of the wicked. In those halcyon days before yet the infernal machinations had begun, the Dominion Parliament sat upon its hill not as meretricious Babylon on her seven guilty mounds, but rather like the Court of Heaven ere the Arch-Rebel sowed discord on high. George Brown, the only mentionable Scot, twin in grace of the one other Alexander Mackenzie, Richard Cartwright, Edward Blake, the sweetly-budding Wilfrid Laurier, were there, resplendent Liberals, wrapped in the seemingly impenetrable armour of their virtue, at the right hand of the Throne to the eye of faith even when in dreary Opposition's darkest and chilliest shade. Even the Coryphæi of the dingier celestial breed, Sir John

## A SMOOTH-SPOKEN TEMPTER

Macdonald, Sir Charles Tupper, Sir Georges Etienne Cartier, had not yet developed to any visible extent their latent tails and claws and paws. How soon the scene was changed and what a change was there! It was not a demon of pride, the closer vice to virtue, that had slunk in among those bowers of bliss. "The least erected spirit who fell" was equal to the felonious task. Mammon it was that insinuated his sleek and supple coils among the wings and harps and, line by line, precept upon precept, here a little and there a little, succeeded at last in training the very Archangels, to say nothing of the mortal constituencies they represented up there, the mere rank and file of Heaven, to eat his gold-dust and accept his gold-bricks out of his hand. And the fulness of this filthy lucre bodily entered there on the thirtieth day of March, 1871, and took his seat among the sons of God under the grey top-hat of Donald A., the member for Selkirk.

That plausible gentleman was already on that black day an old hand at his insidious arts. Long ago, according to his veracious historian, the smooth-spoken Tempter, in whose mouth no butter could possibly melt, had hopelessly corrupted those guileless lambkins the directors and officers of the Hudson's Bay Company. It was the unqualifiable "sneck-draw" Smith that taught them to skin the trusting Red Man who skinned their beavers for them. As we have seen, their

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treatment of the Indians was not immaculate but it was the very best thing about them, and in any case they had fixed and settled it quite unchangeably more than a century before Smith was born. When the transfer of the Company's lands to Canada took place, Smith, who is falsely alleged to have been by that time an old resident of the North-West—though in point of notorious fact he had never once set foot there till the whole transaction was supposed to be completed and the consequent muddle handed over to him for disentanglement—Smith, the diabolical illuminated gambler on indubitable tips, in the wild panic which then broke out in London bought up all the shares that went a-begging there—pure fiction—and secured an overwhelming interest in the Company which he thenceforth owned without conditions, body and soul. It is true that Smith did at one time acquire a controlling share in his old employer's stock, but that was long after and quite another story! He and his brother-factors, it is darkly shadowed forth, in order to gain their private ends, went mad and bit the Métis who made the Riel Rebellion. Later, Smith tried vehemently but vainly to get Archbishop Taché to declare them free from complicity in it. "If only the documents in St. Boniface Palace," hints Mr. Preston, "could be brought to light!" If only they could, why then it might not be very nice for the memory of Archbishop Taché. How

## ON QUITE OTHER EGGS

Smith could be touched by such revelations we cannot divine. No doubt he was wise and saw a long way ahead. Like Goethe's Mephistopheles he knew much, but shared in so far the limitations of that cunning spirit that he did not know everything. He had a long arm, too, to work wonders from afar, but he was not omnipresent—at least not quite so much so as to be shut out from all capacity of benefiting by an alibi. When these strifes and plots were hatching on the Red River he was more than a thousand miles away in Montreal sitting on quite other eggs.

It was, however, in the sphere of railway enterprise that these weird depths of foresight were first fully revealed. From the first—one gets the impression, from his cradle—Smith had determined that he and no other should build the Canadian Pacific road. Other people weakly guessed the builders would come to fill a pauper's grave. Smith knew better. He had seen the billions that were in it in a crystal globe when he was three years old, and ear-marked them for his own. Sir Hugh Allan? Slight man, he should not touch a stiver! It was Smith that blew his little candle out. Smith was at the back of McMullen. Perhaps it was he who picked with his own hands the lock of the desk which hugged the famous telegram. And then who killed Cock Robin? It was that sparrow Smith that upset Sir John's government, though he knew full well that

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Mackenzie would not and could not prosecute the work of eliciting the C. P. R. worms. What of that? The heathen Chinees of Caucasian poker had an ace, a whole pack of aces, up his sleeve. He could wait. It was his way to make haste at leisure. "Time" for him was always "of an endless length." His gift of baneful omniscience enabled him to foresee that he would not have too long to wait. Poor Alexander would soon go, Sir John come back; Donald A. in the revolving process of the suns should rat back again to his old leader's side, and, in spite of deadly natural resentments over previous desertion, work the wires of his dummies from the *coulisses* and collar their whole catch of sturgeon for himself. And so he calmly went his majestic way, reaching out to left and right and picking up in his stride such preliminary whets and cocktails and unconsidered trifles as the St. Paul, Minneapolis and Manitoba railway which he stole from the unworldly simple-minded Dutch bondholders as lightly as one would kiss the nurse and extract the child's handkerchief out of its perambulator.

What chance had a plunging Irishman like Edward Blake against that slippery, supple Sandy, that miraculously long-headed John Heelandman? The railway was finished, the last spike was driven home and with it the last nail in the coffin of Canadian innocence. Alas! poor babe! It had played by cool Siloam's spring, among lilies and

## THE SCOTS' MACHIAVELLI

green pastures, a spotless child. Now the maiden has grown up, but O! so much farther off from Heaven. What can she do but hang her head and suspend her harp on a willow tree? There she sits weeping like Niobe by the iridescent ooze of Babel's streams which have lost all their likeness to Bethesda ever since that ill-omened hour when the black angel came to trouble them. A scene of woe, truly! Nothing for her eye to rest on but fat Stygian mud and sour mosquito-breeding peat of the unlovely mere; nothing to hear but a confusion of wrangling Babylonian tongues.

Among all these tongues is there one more absurdly forked than the one in the head of that amateur of political guilelessness, the late organizer of the Liberal party? And yet it can distill unction at least, if not sweetness or light. With a rudimentary perception of the crying need from the artistic if not from the veraciously historical point of view, the gall is not unmixed with oil. The picture is not all shadow. There are some high lights. The Scots' Machiavelli and prescient pirate, the incredibly villainous figure of this memorial portrait stripped bare as it stands before us and fixed in the immortal nakedness of its soul by the genius of our Canadian Sargent, is also a Pecksniff endowed with a lubricating grace so sweet that it is almost rapture to be kicked downstairs by him. The victims that walked his plank had first all Heaven brought down into their

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breasts by the dulcet snuffle of this mellifluous Captain Kidd. Ruthless fleecer of the abhorred shears as he was, the sucking lambs bleated to be pushed into his pen, resigning their woolly treasures unto the gentle shepherd's hand with baas of pure delight. Donald A. was Satan pure, but the Prince of Darkness is a gentleman and a very smooth-spoken one, a benevolent patriarchal old sweet-faced Sir. "Let us prey" is his word. "George Stephen, hae ye saanded the sugar? Hae ye bought the *Globe*, that ill-tongued Liberal rag? Hae ye pit traicle in the Red Man's tabawkey?" "Aye, Sir." "Then come in to preyers!" The great caricaturist himself is not always proof against the "liart haffets" of this David Deans so decently worshipful and so sweetly grave, or altogether deaf to the Zion melodies of his "Cottar's Saturday Night." He seems, indeed, at times to forget his stern duty to put his victim in the penitential stocks and set him up on the cutty-stool before the congregation. Scenes of exceedingly intimate communion diversify in the most charming if not too probable way this pictured page. You can see Strathcona and his biographer hobnobbing together over the sea-coal fire and a pewter pint of stout in the library at Knebworth or in the solid dingy opulence of the High Commissioner's office with its piles of priceless tin-boxes in Victoria Street, thick as thieves for all the world and nodding together like a pair

## SUPERANNUATED WAR-HORSES

of old viziers in some Arabian Night. This painter had some very private sittings, it seems: What did these two talk about? They had come to the age when it is a joy to go over the past. One loves to fancy them like two superannuated war-horses in a green paddock that still hear the trumpet in reminiscent dreams and cock their ears! They had given and taken kicks and blows, no doubt. Now in the hush of evening surely they bore no malice. Plainly enough, Strathcona did not. The other had the better memory, if not so good a judgment! What would one not give to hear those conversations! They would throw light on much. We should understand this picture better.

We have seen the only two full-length portraits of our subject. Notice that while differing so widely in every other respect they agree in one. Both exceed life-size. They cover a whole staircase wall with their rendering of a superman. In the one the face has no warts, in the other it is all one wart, but both are colossal. That is to say, neither possesses the degree of verisimilitude which is indispensable even to the freest imaginative art. In spite of triumphant democracy and socialist theories of progress by mass movements, it is certain men cannot go on without leaders. But they must not be too far ahead of us, or tower too high above us. If our leaders were more than head and shoulders taller than the next tallest of the common herd they could not even lead because

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none could follow. Steps and stairs are needed, a graduated hierarchy of natural human power, conductive intermediaries between the high peaks—never quite solitary—that are the first to take the morning, and the plains, still lying night-bound in sluggish custom at the foot, long after those summits have been lighted by the dawn. Fortunately that is what we get. In the world of man as in the world of nature we do not find Chimborazos among mole-hills. If we did the labour of the mountains could only bring forth mice. Strathcona's case was no exception. He did not suddenly spring up alone. He was led up to and accompanied. We have seen that heroes lived before this king of men. The North-Westerns and Selkirk paved the way and blazed the trail for him. His best praise is that he took up the torch from them and brought to a relative completion their destined work—to make a Canada from sea to sea and make it British. Besides predecessors he had contemporaries who were quite a match for him. There were strong men around him as there had been giants before him. And in that range of hills immediately about him among which he undoubtedly ranked as an eminence, he was not, I think, the tallest eminence. Even among his Scottish compeers in Canada one at least distinctly overtopped him. Everybody, I suppose, would now admit that, in spite of all his faults, partly, indeed, it may be because of them, not

## LORD MOUNT STEPHEN

only the most magnetic but on the whole the greatest man we have yet produced in Canada was Sir John Macdonald. Some, indeed, go so far in reduction as to think that Strathcona's own district in Scotland has contributed to us a bigger man than Strathcona. He, they say, was not our royal stag from Speyside. His cousin George Stephen had more and handsomer tines, though he was not such a master of *mise en scene*, had less of an instinct for showing off his antlers, and did not snuff the air upon the hillside with such an artistry in exhibition. The most difficult, conspicuous and momentous achievement in which either of these men ever took part was, they say, the Canadian Pacific railway. And in that, George Stephen was *facile princeps*, leaving his kinsman from Forres quite out of sight in the rear.

This is the view that seems to be popular among those who might naturally be expected to know most about the vexed question, among the leading spirits in our greatest corporation, the Canadian Pacific railway itself. They will tell you that the real builder and maker of their famous road and its world-renowned dividends was not Strathcona but Mount Stephen. It was Cousin George that shamed Donald into the venture and kept him at it, and signed cheques for him, which the latter objecting to, George spoke up: "Very well, I will meet the little bill *meis nimiribus*." George, above all, was the Æolus who raised the needful but reluctant

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wind. It was he who went to London and soothed the desperately recalcitrant capitalists there. Once, for instance, he had an interview with the Barings, and was told to go slow and not kilt up his country's coats to Heaven knows where, and strip her to the shanks before she had come of age to put her own hair up, not to speak of raising each particular bristle on the head of a Conservative London banker. He promptly gave the Barings a bit of his mind, pommeled them into profound respect if not for his still dubious railway scheme, at least for his own transparent good faith and glowing force of genius, and ended by carrying away with him from that inexorable office a swingeing cheque to flourish in the face of scoffers, the wily brakesmen, that is to say, of the Grand Trunk who were doing their very best all this time to put a spoke in his wheel. Donald *suo more* came in at the death. His chief contribution by way of vigorous action was the driving of the far-trumpeted last spike. Nobody thought anything of it at the time. The only assistants besides the ceremonial operator, who wears an air of admirable gravity and determination, and the cloud of navy witnesses, as you can see in the well-disseminated photograph, were William Van Horne and Sandford Fleming, neither of them as yet in spurs or dubbed Sir Knight. Van Horne had clearly made up his mind not to make a function of that symbolic and historic scene. He had seen too much of

## THE LAST SPIKE

the evil omen of touching iron without any contact with wood, which in some cases makes the better lightning rod, in the Northern Pacific railway; for after a glorious splurge of the same sort that highly advertised corporation had gone up the chimney. Hence the very quiet, small, and strictly family character of the interesting party. It was not till much later that the formality was elevated, like Berenice's hair, among the constellations, by the inventive genius of Donald A. Smith, the supplanter and Jacob of that plain man then dwelling quietly in his tent and keeping his breath to cool his succulent bowl of red porridge there. Donald had, in the meantime, come honestly to believe that what everybody was constantly telling him and what he had always been inclined to suspect himself, was true, that he had done it all or most of it. He had changed under the spell of that flattering unction in the interval of years, his old copy-book device of *Perseverantia*, "Dogged does it," into the less pedestrian *Agmina Duco*, "In the van," and so, kindling to a flash of the really considerable talent he possessed of clinching things in a picturesque and pregnant emblem, he conceived the brilliant idea, in spite of Herald's Colleges, of fixing that spike rampant in gules and azure among the more commonplace trophies of his lordly crest. Nothing was ever made to go so far—in the form of diamond-tipped scarf-pins sown broadcast among female relations, sisters,

## LORD STRATHCONA

cousins, aunts and lady admirers who were thus stamped as his own by a peculiar mark of favour. So many true relics were never made out of the Holy Rood or the jawbone of a mastodon, promoted martyr. But in sober reality Donald had not led the C. P. R. van, or even ridden in the observation car. He abode with the baggage in the rear, showing much *perseverantia*! It was George that led, Van Horne that followed next over rock and muskeg manfully, then Mr. Angus, then MacIntyre and then Donald, playing not a primary nor perhaps even a quaternary part, bending like Issachar under useful panniers stuffed with plump old stockings and what he always loved to deal about him, good things to eat and drink. . . . There is a rock in the Grant country called Craigellachie which has given its gallant name to the very noblest of all the Strathspeys that ever lifted in the dance a Highland head with pride, furnished the great clan of the Grants too, with which both Smith and Stephen could claim affinity, with its blood-stirring war-cry: "Stand fast, Craigellachie!" The story goes that one or other of these cousins—both good at need—addressed to the other at a dizzy moment a telegram, a sharp blare of Roland's horn, with just that one word "Craigellachie" inscribed upon it. The C. P. R. say it was not Strathcona that sent that telegram. He got it from Mount Stephen and ceased to quake.

Who is right, then? Those good men of our

## HIS CONTRIBUTION TO THE C. P. R.

C. P. R., the very best we have, or the lugubrious scriptural and most magnifying Preston? Or are both right and both wrong and to what extent? This modest writer will not presume to determine with precision. No small amount of brooding, however, on such evidence as he has been able to reach inclines him to the following conclusions. Sir Donald Smith's contribution was, on the whole, more of the passive sort. It was less *immediately* originative and impelling than is generally supposed, and indeed than Lord Strathcona, as old age grew upon him, came more or less definitely and consciously to be prone to suppose. The fact is, at the inception he shared the reasonable opinion of many men that in theory, if it should prove by any means possible to do that entirely indispensable and unavoidable piece of work in the best way one could think of, in that case the work should not and could not, being an enterprise of such tremendous magnitude, be undertaken by any syndicate of private persons, but ought to be not only fathered by the State but carried out and permanently operated upon the support and pledge of its utmost resources, and that consequently all the resulting benefits should accrue and be forever secured to the Canadian people. Even long after he and his associates had broken their eggs and made considerable omelette out of the St. Paul, Minneapolis and Manitoba road it never occurred to him—perhaps he was just the last man to give

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admission to such a wild thought—that there was the slightest obligation upon himself and those friends of his to dash upon the stage in a patriotic frenzy like railroad dervishes and throw those fortunes into the breach by making themselves responsible for a second and really more colossal task which neither Canada nor England nor any company of rich men in Great Britain or on the spot had the courage to regard as anything but a foolhardy speculation, one, indeed, that might be counted upon with certainty to ruin any man, break any country and any individuals who should be insane enough to burn, not their fingers but their whole body and bones, by meddling with it for one moment. The man could be brave enough. But his was also a very cool head indeed, in perfect control of unusually well-regulated affections, quite willing to serve his country but distinctly averse to suicide, especially so in a case where there was no reasonable prospect at all that the holocaust of himself and all his friends and relations would be of the smallest use to his country. Who first thought of forming the Company which actually did rise to the audacious venture, it would be hard to say. It may well have been George Stephen. He, at least, did more than any one else to raise the necessary breeze of funds, and to steer the frail canoe like an old North-Wester through cliffs and breakers, tempests and dead calms, crags and currents, the Scyllas and Charybdises that

## MAKING THE PRAIRIES ACCESSIBLE

menaced shipwreck dreadful as any Mackenzie faced on the same road from Lachine to the Pacific. As for Donald Smith, what we can claim for him with some confidence is this. First, after labouring for many years in vain, he succeeded at last in turning his cousin's serious attention to the West. Second, being on the spot, and keenly interested for his own sake, the Hudson's Bay Company's, the North-West's, Canada's and the Empire's sake, in making the prairies accessible, he first conceived or first effectively assimilated the idea of linking Fort Garry and the Canadian Red River with the Great Northern system, and bringing the portion of it most vital to the purpose, namely, the St. Paul and Pacific railway, under the ownership of a group of Canadians; and then ended by persuading George Stephen to join that group. That was, as it turned out, the decisive stroke. It was Smith that sewed that stitch in time which issued in the fashioning of our Canadian *toga virilis* and connective tissue. He hit the iron which his own breath had blown to the right heat. And so in a very real sense he was "in the van," a pioneer; the "efficient cause" of the C. P. R. in this important connotation of the term that but for him in all human probability George Stephen would not have troubled about the West; would have given the first hard steps a very wide berth; would have kept his skirts clear of Canadian railways; and so the C. P. R. would never have been

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built with his help and would, therefore, as far as we can see, have had to wait a weary while before it would ever get built at all. That is Strathcona's second indisputable claim; he knew the past of those regions as no one else did, broke ground for the future, and roped the right man in to back him and forge ahead in front of him. And the third is like unto it. Once in, Donald stood like a rock, like the Grants' rock Craigellachie. He was a good sidesman. He never quailed. "If this goes wrong, George," he is reported to have said on one occasion after he had produced a timely subsidy from the reserves of his capacious sleeve, "you and I must not be found with a single copper on us." Through rain and shine, through good and evil report, he was staunch with all he had and all he was, at lowest "the Scot who bled with Wallace" in that great breathless fight—and would have continued to bleed with him to the last drop of his hard-earned money, though perhaps, alas! that was dearer to him even than the vital stream which ran in his veins itself.

Why, then, draw invidious distinctions? Let that pair grow and flourish intertwined together in our records as in their life-work they were not divided. Strathcona is dead. Mount Stephen is dead. Lord Mount Stephen has many claims on the gratitude of his countrymen, but in the somewhat unnecessary, foolish and odious comparison between the departed comrades he should never

## A VERY INACCESSIBLE MAN

have been degraded to a rival from the lifelong friend he was. Donald

“—is in his grave.

After life's fitful fever he sleeps well!

Nothing can touch him further.”

Let us leave him there in peace. And you good men of the C. P. R., you of all men should be the last to touch him; the last to disturb his honoured bones. Surely the very last thing his memory should have to fear is “domestic malice” from you!

The chief obstruction, however, blocking Strathcona's popularity, did not spring out of the chivalrous if somewhat unbalanced instinct to throw the long obscured merits of a rival, believed to have been unfairly though perhaps quite unwittingly cast in the shade by him, into high relief. He suffered more from that great force in the affairs of men—envy. Not, indeed, in any coarse form. Everybody knew that he had worked hard and undergone many pains and privations. Few would have cared to take his wealth at the cost of the labours and anxieties they knew he must have had to pay for it. It was his manners rather than his wealth and possessions that chilled and deflated the ordinary mortal. They seemed too good to be true, too sweet to be quite wholesome. He was a very inaccessible man. No one ever got any further with him. A mystery at ten o'clock in the morning, blanketed about, so to speak, in all conventional and impeccably proper sentiments,

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and not to be pierced by any darts, search-lights or flashes of wit or sudden thrills of sympathetic seeking, a post-prandial mystery he remained at twelve o'clock p.m. In the smoking-room, amid the blue incense of mighty cigars retaining still the gorgeous promise of their undetached labels, that penetrating fragrance that usually unbinds all the seven seals, he was still a cool matutinal oyster, a male Isis or Horus with never-lifted veil, while others overflowed in self-revelations, repeating nightly to the listening earth the oft-told story of their humble origin and early struggles as bell-boys or telegraph operators. Think what that Labrador iceberg must have been night after night on a trans-continental journey amid the fret-work of a railway-magnate's private palace car. Poor Smith could not help it. He had begun that way in Forres and his contact with the dignified Red Man as well as his Hudson's Bay Company training had rather aggravated than otherwise the grand seigniorial impassivity he was born with. Inclined by nature to shut his head and let no loose stream flow through the powerful Aberdonian barrier of his teeth, the habits of a lifetime had confirmed his natural aptitude to profit by the good advice of his countryman and "still keep something to himsel' he daurna tell to ony." Self-suppression became almost a vice with him, the inhuman compactness which would never dribble over or let any unconsumed smoke issue from any vent.

## A TYPICAL SCOT

Leakages of words he loathed as much as spilth of gear; like a true Scot, he kept his own counsel, his sixpences, the Sabbath, and everything else he could lay his hands on. He never gave himself away, never hung up his seemly reticence on a peg, nor stripped as far as the braces. He was always *point device*. Above all, no sound ever passed his lips which would have jangled the harmony of a Queen's Imperial presence-chamber or called a blush to the delicate cheek of the most Victorian of Princesses Royal. Only on one memorable occasion is it recorded of him that under stress of peculiar exasperation a wild and whirling word flew, not out of his mouth, but from the more facile and open sling of a lieutenant of his, which, though not hurled, was homologated by this paragon of self-controlled propriety. One simply must give it in detail.

It was in Fort Garry about eleven o'clock at night, just after an election had given up its returns in dead and living. The ballot-boxes had shown that the French half-breeds had taken the money but failed to deliver the goods. Their venal and fugacious votes had not fallen for the candidate who had shaken a plentiful supply of acorns into the trough for them. As Donald A. was carrying back from the polls the weight of his sagacity and sorrow, a deeply disappointed and disillusioned man, there at the gate he found MacTavish, one of his factors, who had held the Fort in his chief's

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absence, and had been too much engaged in calculating election expenses to go to the polls himself. The man had also dined well, if not altogether wisely. "How goes it, Donald A.?" he asked his thoughtful principal. "I am sorry to say, Mr. MacTavish, that a majority of the intelligent electorate of my late Selkirk constituency have, in the exercise of their undoubted privilege and right to choose the most fit and proper person available for the purpose of representing them in the Dominion Parliament, seen fit to reject my own humble though hitherto not unacceptable person." MacTavish knew to a fraction how much currency in Hudson's Bay Company notes, denominations reducible as far as one-quarter of a dollar, had been rained down upon that stony ground. He had been counting it all day. No wonder, then, that his words burnt blue. He burst forth in vituperation which can best be translated thus: "Sons of a teeth-gnashing she-hound! Generation of vipers! Gotten by a sea-cook, blasted by the all-dreaded thunderstone! A prey to the unquenchable Salamander-worm in the galley fires of Gehenna's kitchen, amid congenial cockroaches for ever and ever, Amen!" "Are they not, Mr. MacTavish, are they not?" echoed to this litany the response of Donald A. as he strode through the gateway. MacTavish was sobered in a moment. It was the first time anyone had ever known the late member of Parliament

## ANECDOTES

take part in such an unparliamentary commination service. Smith never forgot the parson as whose clerk for the nonce he had extemporised—nor the Athanasianly confulminated flock. Mac-tavish did well thenceforth. But though Silver Heights was still kept up, the philanthropic activities of Sir Donald were for ever after diverted to Montreal from Winnipeg. Hence, many tears in Winnipeg and joy as over one returned in Montreal!

I have another real anecdote, a yet unpublished incident to a similar effect, which I owe to Mr. Stewart, of Montreal. Mr. Stewart was in the employ of the Hudson's Bay Company in Fort Garry, whither he had gone with Garnet Wolseley as an eighteen-year-old soldier—much to the opening out of his way in life and his better acquaintance with Manitoba No. 1 Hard. Donald A. was his well-beloved superior, and an excellent subject for his quite remarkable gift of vocal and personal mimicry. It happened just at the time when this youthful recording angel acted as factotum on the premises of the old Fort that the then governor-general of Canada, no less a person than Macallum More, the Marquis of Lorne himself, was expected and that with much eagerness by the only man on the continent who knew how to do him well, that princely Amphitryon, the chief commissioner of the Hudson's Bay Company. By way of making sure well ahead, Donald A.,

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attended by his loyal and observant follower, slipped down into the well-stocked but low-roofed, dimly lighted, and promisingly cobwebby cellars, the former as usual in his tall grey beaver, the latter bearing the candle in his hand and keeping his good ears open.

"There, Mr. Stewart," pointing to one of the bins," I think we will take some chablis and these two dozen of claret. And what have we here? Let me see, please. Hold the candle a little closer and lower, pray. Liebfraumilch, I do declare! Just the thing for Her Excellency and Royal Highness the Princess Marchioness Louise, who doubtless has many memories of the Rhine, though her rearing was closer to the vine of Hampton Court, and by marriage tradition she may be not unimbued with Glensharlie's mountain starlight dripping dews, withdrawn as these are ordinarily from Royal eyes! A dozen of that, I think, may well suffice! 'Tis an acquired taste. Ah! shall we ever have the high privilege, I wonder, of entertaining in our wide North-West the true and topmost crown of her colonial Dominions, that royal Nonpareille of all the domestic no less than of all the gubernatorial virtues, the Majesty of our Princess's Empress mother? But let us return to what we may perhaps be permitted to designate as the immediate flock of muttons we are gathering from these pens. We must round up at all hazards some extra-dry ones with the brand of the bereaved

## WHEN THE LIGHT WENT OUT

Clicquot on their gilded muzzles. If my memory does not play me false, we shall find them over there in that spider-frequented corner."

And hereupon, forgetting for a moment where he was, in the general flush of loyal emotion and the excitement of transition to his climax, he suddenly raised and threw back with something of a "gushing impulse," like Wordsworth's swan, his head and the hat on it, which, being high and, therefore, knocked off by a jutting beam of the humble ceiling, fell upon Stewart's candle and extinguished it. Reader, did he say what you or I would have been sure to say, just under the mosquito-bite of that annoying little bathos? Heaven forbid! This great and faultless being did indeed react. He was stung into one of the very few of his authentically recorded jokes.

"Ha! Ha! Mr. Stewart," he gaily laughed, "we have doused the glim. Our researches and collations must wait. *Where was Donald A. when the light went out?* Please go upstairs if, in this half-light, you can find the way. Redintegrate the ray of our tiny but indispensable glow-worm. I will sit in darkness, meantime, meditating my sins till you return."

And so he waited till Stewart got his breath back, took his inward notes, lighted the candle once more and brought it below again. Then the congenial work went on. The dry champagne, the priceless old crusted port, the noble golden sherry

## LORD STRATHCONA

which had tossed upon the Bay of Biscay and lain becalmed among the fies of the Arctic Straits, the kummel, benedictine and chartreuse, the rich brown unground coffee beans from Java, and all the other fragrant flowery crowns of that Lucullus feast, were duly picked out, sorted, and assembled in a well-dusted shining battalion. The man was a notable husband of his Penates, as careful in the choice of his wine as of his words. A guest's palate was to him a shrine, a grove of hushed meditation.

Surely then, you will say, such unfailing courtesy, punctiliously hospitable, or at lowest studiously respectful, to everybody, could scarcely have made enemies if it could not always attach warm friends. Don't you remember the Athenian citizen who cast his potsherd for the banishment of Aristides simply because he was so fed up with hearing that moral pedant called "the just?" And yet Athens, though it did not come up to St. Paul's standard, was a good deal more bitten with the passion for excellence than Montreal is, and could much more easily forgive distinction. To us, as indeed to all the Anglo-Saxon race, a comfortable mediocrity is dear. We do not love distinction. Smith was, for the most part, a normal plain man, such as most readily inspires our confidence. He had paid his debt of frankincense to our dowdy Nemesis, and had elaborately schooled himself to the languors and flatnesses of our parliamentary eloquence. But the inarticulate

## HIS FINE MANNERS

artist that was in him did not escape his toll of penalties to the dominant abhorrence of imagination, the widely-diffused illiteracy and self-complacent rusticity of our civilization. The one point of him where you could see the thunder-bolt smoke most was just his really fine manners. These, with some "virtue, freedom, power," were his most conspicuous endowment and the peak that most repelled. For, though to some a lure, they were to others more impenetrable and isolating in their lubricant defensiveness than crocodile's scales. To those robust and primitive sons of Nature, the Hannibal Chollops with whom he had latterly a good deal to do, they were a rock of offense. The suave inaccessibility was too much for them. He never became really one of them, a known quantity claspable to the heart. He was too sweet to be quite wholesome, they shrewdly suspected. The sailor's criticism of the too fine gentleman hit his nail on the head for them. The excess of his politeness rose to blood-heat on their thermometers.

There was something in it, too. A few redeeming vices would not have been unwelcome. He was too smooth. The crowning grace of really noble manners, a certain amount of wholesome plainness stamped upon the gold, was certainly to seek, the touch of bare nature which reconciles and gives some jagged edges to superiority for the assurance of a sober certainty of waking bliss. Who really

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knew this man? He was a Labrador enigma. Up to three minutes before the twelfth hour, as Sir John and Tupper once discovered, you could not tell what he was going to do. Perhaps he could not himself. He had to grow unconsciously, like many men of action, till under some external shock he precipitated, often to his own surprise. What did he think and feel about the things that really matter? What was his religion? After all, one may suspect, nothing very individual that he could have put in words. He had no such bursting accumulations of lyric, outward striving thought, or thrilling stings and stounds of lyrical emotion as must erupt or choke him. We may suspect that his real working creed was of rather a Scotch type. That is to say, it laid great stress upon the fact that godliness has the promise of this life as well as of that which is to come, on the injunction to be diligent in business, fervent in spirit, if not so much upon the clause "serving the Lord," and above all upon that great commandment and solemn warning: "He that provideth not for his own is worse than an infidel." The Proverbs of Solomon would probably represent fairly enough the extreme limit of his religious aspirations and ideals. At least he was not bigoted. He came to see, he once told Dr. Fleming of St. Columba's Church, that a Roman Catholic is not necessarily excluded from the Kingdom of Heaven—which was quite a stretch of liberality for a native of the County of

## HIS QUALITIES AND DEFECTS

Elgin, born and educated there in the early decades of the nineteenth century.

He loved the solitude of a crowd, a privacy of mild light, from which he shone benevolently on all alike and upon no one in particular. He loved to see happy faces about him and plenty of them. Thorough-bred Scot as he was, he had none of that uneasy itch for the general diffusion of a conscientiously gratuitous gloom which is apt to brood over his nation like an immemorially endemic plague or the first of a month of wet days.

In short our High Commissioner, if, as I have laboured to show, he had the qualities of his defects, must be admitted also to have had the defects of his qualities. And if he was stronger than most of us to work up virtues out of his necessities and hardships, he did not altogether escape some marks even from the malignity of his outward fortunes. Strathcona never quite strained off the lees of Labrador. The shroud of portentous mystery, the solemn, rather unlovely secretiveness, the exasperating dilatoriness and apparent incapacity to make up the mind, perhaps partly because there was so much of it, still more because its gestations were so obscure, became mechanically inveterate and deepened with old age. Poor Mr. Chipman of the Hudson's Bay Company, often summoned in hot haste from a thousand miles away and kept for nine days dining and discussing things in general in the house on Dorchester Street

## LORD STRATHCONA

—before which the poor old coachman might have to drive his horses round and round for bitter winter hours—and never a word said by his unfathomably amiable host, so devoted to the delights of harmlessly improving conversation, to indicate that there was any knot at all worth the expense of the machine and hot-foot messenger's long journey to untie—Sir William Peterson, too, kept for years in a realizing sense of dependence, hanging in air, and effectually shut out from playing the rôle of academic *Oliver Twist* or daughter of the horse-leech by means of the linked enigma longdrawn out of the prospects for permanent maintenance and endowment which sister Margaret's Royal Victoria College had reason to look forward to—these among others could tell sad tales, sitting on the ground, of their own sore experiences of all that.

The autocratic habit, too—that also rooted in the fogs of his Arctic years, the winter of his young discontent—grew upon him; the suspicion that he had been himself after all the one and only source of all good to Canada, and that he had established forever the right of an exclusive monopoly to wear the mask with the high forehead as Guide, Philosopher, and Friend; a queer resentment, more and more definitely underlined towards the close, of all plans, however excellent and well-meant for the advancement of her interests, that did not originate in the office of

## A VENERABLE FIGURE

the eternal and irreplaceable old Man of the Sea. A sad spectacle to the eye of reason, that rather dizzy perch, however congenial to the official cockroaches that clustered upon it like bats around their chief.

Just one more mole—this time, thank Goodness! a mere hypertrophy of healthy tissue—and then for harbour and for home! This, on the whole noble, Highland flesh was heir to a nature prone to revenge. It was not his fault that his mind took singularly sharp and lasting impressions of things. That was his natural quality, a good and rare one. But in several clear cases he did give evidence of the defect of that as well as of other qualities. Strathcona could not forget, even if he wanted to. And therefore it was harder for him than it is for most of us, whose facility here is mere lassitude and obliviousness, to forgive.

But it is a mean business, this counting up of stains and blemishes in a great record and a venerable figure. For Strathcona is, in a very real sense, the father of us all; we are all sons and daughters who have entered into the heritage he won for us. If anyone ever was so, he was *pater patriæ*. He was one of a noble band and not the least noble among them. When shall we look upon their like again? He needs no letters of commendation. His associates were his letters of commendation and he was theirs. We shall certainly not look upon *his* like again. Whether he was a great

## LORD STRATHCONA

man or not I will not take it upon myself to say, but surely none was ever quite so much of a representative man. What a typical Aberdonian Scot he was, how he summed up his natural North of Scotland, we have seen. And it is certain that none ever was, or in future ever can be, so representative of Canada. He repeated in his own person and work, after a fashion which must remain unique, every stage of his adopted country's life from the rudest and earliest to that highest which he did so much to bring to birth. Quite idle to ask which of the group he worked with was the ablest man, which did most for Canada! The popular imagination makes no mistakes in that use of its eyes by which it picks out the figures canonized by it and handed down with a halo on their brows for everlasting memory. That old man *was* Canada, Canada in the flesh. The whole history of our country, from the mink-trap and birch-bark canoe down to the grain-elevator and the ocean-liner, lived and breathed and moved and walked about visibly under the tall grey beaver hat which, with its wearer and his experiences, is gone forever and cannot possibly be repeated. The mould in which he was made is broken. He was the last of his type. He was young Canada in overalls counting muskrat tails at Lachine, a place whose prophetic name he and George Stephen, both merchants of Montreal, following in the tracks and fulfilling the task of

## CANADA IN THE FLESH

merchants of Montreal long dead, Henry, Mackenzie, the North-Westerns, at long last, in the fullness of the days, victoriously, against great odds, proved not only a name of good omen, though given in derision, but a true name. He was adolescent Canada in Labrador, wringing the most that might be out of rocks, and fogs, and ice, and making the frozen wilderness to blossom like the rose. Mature and militant Canada he was at Red River contending in the fateful travail hour of Confederation with Riel and the half-savage past in its last recalcitrations; triumphant Canada, the Canada that is and is to be, in London, Aberdeen, Glencoe. And finally, unlike some of his peers with whom too envious critics insist on comparing him to his disadvantage, he went on to the very end, he never paused in his high career; as he never hastened, so he never rested, but ran his race quite to its close like a strong man rejoicing, with torch in hand, until he dropped.

In London he died and lies buried. The port he sailed from Westward Ho upon his first voyage was the fit port to set out from upon his last, far over the still ocean of Eternity. There in the metropolis of a mighty Empire,

“Whole as the marble, founded as the rock,

As broad and general as the casing air,”

the benignant Empire whose vast key-stone he had helped so much in raising to all that wide far-spanning and yet vitally organized majesty we see

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growing daily before our eyes, there in the honoured ripeness of the extreme limit set to our human life, looked up to by all men, there in his native land, the familiar and the friend of kings, he departed. But it was towards Canada that his face was set steadfastly in that last hour. His loving solicitude was bestowed to the very end upon that adopted country of his which he had made his own so truly, and so magnificently ours. One hushed and solemn moment ere his glory sank forever from mortal eyes beneath the wave, he gazed on the one star of evening over that twilight sea which he had reached so late, setting like the sun but with face and heart turned towards us, and like the sun, too, with a smile of propitious omen for our future, a beam of benediction and farewell. Shall we not return his greeting? *Ave atque vale, pater! In æternum, pater, ave atque vale.*

What is the lesson of his life? The old story, I think, the lesson of the Parable. This man can scarcely be said truly to have received the maximum endowment of five talents. His talents were of silver not of gold. The warp and woof of him were hardly of the very finest human texture. But he made the most of his natural gifts. He did not bury his single talent in a napkin. He set it out at usury, and rubbed it by good wear till it shone bright and breedful of all wealth and foison as Aladdin's lamp. So he came to *have* and therefore much was given to him. The "five cities" inter-

## TOUGH AND TIRELESS

ested him mainly as leading to the "ten" behind them. His appetite for service grew by what it fed upon. Every goal was with him the spring-board to a higher leap. The intellectual powers he was born with, by no means extraordinary either in force or delicacy as they were when he received them—that is just what makes his example and achievement so inspiring to young Canadians—were nourished and consolidated by his indefatigable and ceaseless exercise. He was tough and tireless, always driving ahead, "forgetting the things that were behind" and pressing steadily forward "towards the mark of the prize of the high calling," the shining goal which he reached. Far indeed from perfect, and made of the same shrinking, quivering, frail material of flesh as the rest of us, he was not spared his growing pains. But he grew all the same—by an uncommonly laborious and slow process. He always stuck to his last and, what was still better, to his guns. In the end that obstinate bombardment silenced the many smaller noises, and won a decisive victory, peace with honour and a quiet close. He had several mottoes, "*Perseverantia*" and the more ambitious and dubious "*Agmina Duco*." But after all he had a good right to both. And perhaps the Aberdonian one of Marischal College might have been as appropriate as any: "They say? What say they? Let them say!"

"My friend, all speech and rumour is vain,

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foolish, and untrue. Work, genuine work, that alone remaineth, eternal as the Almighty World-Builder and Lawgiver Himself! Do thou that; and let fame and the rest of it go prating." These words of their great countryman I should choose to inscribe upon the headstone of our Apostolic Succession in the making of our North-West, and with it of that greater Canada and of the British Empire which is their monument. Let them stand over Vérendrye, Mackenzie, Selkirk, Stephen and Strathcona.

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' SIR WILLIAM VAN HORNE







SIR WILLIAM VAN HORNE

*From a photograph*

THE MAKERS OF CANADA SERIES

Anniversary Edition

# SIR WILLIAM VAN HORNE

BY

WALTER VAUGHAN

*Illustrated under the direction of A. G. Doughty, C.M.G., Litt.D.  
Deputy Minister, Public Archives of Canada*

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## CHAPTER I

### ANCESTRY AND CHILDHOOD

**W**ILLIAM CORNELIUS VAN HORNE was born on February 3rd, 1843, at Chelsea, Will county, in the state of Illinois.

Seventy years afterwards, in a bantering letter to a distant connection who had written him about their common genealogical tree, he said: "I have been too busy all my life to cast a thought so far back as my grandfather." Yet, while essentially democratic and eminently free from the weakness of pride in anything so entirely beyond his own control as the stock from which he sprang, there can be no question that, at any rate in his maturer years, he was conscious of his sturdy Dutch ancestry. On the paternal side his ancestors had invariably married women of that race, while his mother was born of German and French parents.

About the year 1635, when the Dutch Republic was in the heyday of its maritime power, Jan Cornelissen Van Horne adventured from the shores of Zuyder Zee to settle in that New Amsterdam which was rising on the island of Manhattan, and to found one of the Dutch families that have played so conspicuous a part in the industrial and

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## SIR WILLIAM VAN HORNE

political development of the North American colonies and the United States.

One of Jan Cornelissen Van Horne's grandsons, Abraham, became a leading citizen of New York, residing in Wall Street, with his mills and store-houses nearby, and acquiring a grant of fifteen thousand acres of land in the Mohawk valley. He filled "nearly every office in the gift of the people," and one of his daughters was married to Burnet, the English governor of the colony, whose popularity was ascribed by Mrs. Van Rensselaer, in "Goede Vrouw of Mana-ha-ta," to "his alliance with one of the leading Dutch families," whereby Burnet "began his rule in the colony with more friends and adherents than any English governor had ever obtained."

The Wall Street merchant, who had eleven children, possessed sufficient wealth to enable a son of the same name to acquire an estate in New Jersey about 1720. In 1725 he built the White House, which is still occupied by a member of the family, and from which the town of Whitehouse, N.J., took its name. To this country mansion of Dutch architecture, with a large hall decorated by an Italian artist, Abraham Van Horne the younger brought his wife Antia Covenhoven, a descendant of Wolfert Gerritson Covenhoven, who had emigrated from Amerspoort to New Amsterdam in 1630. Following in the steps of his forefathers, Abraham the younger added to his landed

## ANCESTRY

possessions and erected sawmills on his farms. His will, to which Cornelius Vanderbilt affixed his mark as witness, reflects a fine and patriarchal Dutch care of all his household. Bequeathing a negro slave as maid to each of his daughters, he left all his other slaves to his wife; and "after her death, or after said negroes come to be past labour, they then shall be maintained by my son Abraham Van Horne, his heirs and assigns, for I positively order that they shall not be sold to any person whatsoever." The son who was the chief beneficiary of this will married Gertrude Wycoff in 1761, and was the father of Abraham the fourth, who served as a youth, with the rank of Commissary, in the forces of Washington.

Upon his release from military service through the final victory of Washington's armies, Abraham, the grandfather of the subject of these pages, completed his education at King's College, New York, of which he was one of the earliest graduates. Marrying, in 1785, Anna Covenhoven, a daughter of Cornelius Covenhoven of Corroway Keyport, N.J., and descended, like his grandmother, from Wolfert Gerritson Covenhoven, he was ordained a minister of the Dutch Reformed Church and became pastor of the Dutch Church at Caughnawaga (now Fonda), New York. He remained the incumbent of that office for a period of thirty-eight years, lived a life of great usefulness, and rendered conspicuous service to the

## SIR WILLIAM VAN HORNE

communities which were growing up in the central portion of the state. The area of his ministry was very extensive, his salary and his fees pitifully small, and in the course of time nine children came to crowd his hearth. But the goodly heritage he had received from his father, supplemented by a legacy of \$30,000 to his wife from her father, the "King of Corroway," enabled him not only to maintain himself and his family in comfort, but also to support in his establishment no less than twenty slaves and to offer the abundant hospitality which had been traditional as well in the family of the Covenhovens as in his own.

Of his four sons, all of whom were educated at Union College, Schenectady, "the Dominie" entertained high hopes that Cornelius Covenhoven Van Horne, the father of Sir William Van Horne, would enter the ministry. But the boy, who was more distinguished at college for his jokes, his strong will, and his quick intelligence than for his piety, had other aims. Marrying, at the age of nineteen, a daughter of Colonel John Veeder, he finally determined to study law. The atmosphere of Union College, which attracted a large number of students from the southern states, had been strongly Democratic, and Cornelius, having begun the practice of his profession, quickly associated himself with the Democratic party in New York State and secured the warm friendship of Martin Van Buren, another young lawyer of

## CORNELIUS VAN HORNE

Dutch blood, who was shortly to become the First Citizen of the Republic. His professional and political future seemed well assured when, in 1832, he was moved by the pioneering instinct to seek his fortune in the west. Accompanied by his wife and children and followed by the tender solicitude of "the old Dominie," he set forth with his emigrant's wagon, and, after undergoing the hardships and trials inseparable from such a journey, found a resting place near Chelsea, Illinois.

The early years of his life in the west were clouded with misfortunes. His wife and two children died. His house and barn and his law books were burned in his absence. But with the aid of a more prosperous brother he was enabled to rebuild his home and eventually to purchase from the State a homestead of three hundred and sixty acres at Chelsea in the Illinois valley, alongside the old Oregon Trail. Thither, in 1842, when his surviving children were provided for, he brought his second wife, Mary Minier Richards. She was the daughter of a south German with an anglicized name, who had emigrated to America when a mere lad, served with the revolutionary forces, and married Margaret Minier, a Pennsylvania girl of French origin.

The home to which Cornelius Van Horne brought his second wife was a spacious log-house covered with sawn timber, lying with its stable

## SIR WILLIAM VAN HORNE

and outbuildings well back from the Trail on the brow of a hill sheltered by a fine growth of trees. A sawmill stood down in the valley on the bank of Hickory creek. But the mill was seldom in operation and the land was not extensively cultivated, for Cornelius was a farmer neither by instinct nor by training. He was a lawyer, and while he waited for a clientele to grow up about him he eked out a livelihood by dabbling in farming and milling. Through his political influence he was appointed the first justice of the peace in his district, the first recorder of the county, and the first postmaster of Chelsea. From time to time he would ride to the court-house at the state capital one hundred and fifty miles away to transact legal business concerning claims and land-titles, and, perchance, to discuss politics with his fellow-lawyers, among whom were Abraham Lincoln and Stephen Douglas.

It was in such a home and in such circumstances that William Cornelius Van Horne was born, the first of five children by his father's second marriage. In the spacious, uncrowded Illinois valley the child spent his first eight years in play, in such work in the garden as his small hands could do, and in exploring the wonders of the woods and the fields. In this fashion was unconsciously laid the foundation of that knowledge of the earth, its fruitfulness, and its mysteries, to which he was to have frequent recourse in after-life. There was

## EARLY DAYS AT CHELSEA

neither church nor school in the vicinity of his home. Remote from towns and stores and poor withal, he had no playthings except the pebbles in the creek, with which he loaded his pockets. One day, when about three years old, he found in the bed of the creek a shiny black pebble which he joyfully added to his treasures. But before he reached home his pebble had dried and had become a dull grey. Not even a resourceful and sympathetic mother could change that. She could, however, do better, for she showed him that his pebble was slate, and would make marks on a school-slate which she produced.

Another world was now to open to the child. He scratched the poor school-slate at every opportunity—aimlessly at first—until he was induced to “draw something.” He was soon able to make crude pictures of children, horses, and dogs. But, alas, the soft slate came to an end, and he could not replace it. He searched the little creek clear up to its source, but while he found more remarkable stones than any he had ever seen before and added greatly to his store of pebbles, he could find no second piece of slate. Coming at last to his father’s sawmill, he told his small woes to the man he found working there, who fashioned a piece of coarse lead-pipe to a point and sent the boy home happy. The lead, however, had no affinity with a slate, and the boy turned to the whitewashed walls of the house to make his pic-

## SIR WILLIAM VAN HORNE

tures, encouraged by his mother, who herself had an undeveloped gift for drawing and who made a sympathetic critic of her little son's laboured efforts. This led to pencils and chalks being brought by his father from Joliet, and before long the walls of the house, as high as the boy's small arm could reach, were covered with drawings.

In 1851 Cornelius Van Horne, having sold the homestead at Chelsea, moved his family to Joliet, a flourishing town of some two thousand people. Being "a man of liberal education, great shrewdness, abundant self-esteem, and tenacity of purpose," the newcomer quickly made his influence felt in the growing community. When, in 1852, Joliet received its city charter, the citizens elected him as their first mayor.

In the same year the young William, who was attending the town's one school, was announced as a participant in the school exhibition or closing exercises. The second item of the programme was an "Address by Master Van Horne." Garbed as an Indian and brandishing a wooden spear, Master Van Horne made a satisfactory first appearance. Every Sunday he and his brother accompanied their mother to the Universalist church; William forsaking the Universalist for the Methodist Sunday School when he discovered that the latter had the better books. At ten years of age he was reading every book that came his way, and both in and out-of-doors was absorbing know-

## HIS FATHER'S DEATH

ledge as a sponge absorbs water. As soon as he and his pebbles had been moved into Joliet he had begun to explore the town and its environs, with their park-like woods on the banks of the Des Plaines, with the same eager curiosity as he had displayed in the little valley of Chelsea. Conscious of the charm of his new playground, the boy revelled in his new opportunities for collecting rock-specimens, which, from the finding of the piece of slate in the creek at his old home, had become his boyish passion. One day, observing peculiar markings on a bit of rock-surface, he hammered it out with a stone. Breaking off the surrounding edges, he found a well defined and symmetrical figure which he called "a worm-in-the-rock." This he carried about as a pocket-piece. It was his first treasure, and its possession not only lent him an added importance in his own mind and in the minds of his schoolmates, but sent him searching for other specimens with increased zest.

Suddenly, on July 7th, 1854, his father died of cholera, which was then epidemic in the state. Writing to his little grandson in 1914, Sir William Van Horne said:

My father died when I was eleven years old, leaving a good name and a lot of accounts payable and some bad accounts receivable. He was a lawyer who seldom took fees. I can remember him refusing payment for services not once but many times, when I felt sure that he had not a penny in his pocket. I could not understand it then, and I am not

## SIR WILLIAM VAN HORNE

quite sure that I do now, but this occurred in a newly settled country where all were poor alike, and my father, perhaps, felt himself richer than the others because of having a mortgaged roof, while most of the others had hardly any roof at all.

However, there we were at his death with nothing—my mother, my two brothers and two sisters, all younger than I. My mother was a noble woman, courageous and resourceful, and she managed to find bread—seldom butter—and to keep us at school until I was able to earn something—which I had to set about at fourteen.

## CHAPTER II

### IN TRAINING FOR HIS LIFE WORK

WITH her garden and her needle and such trifling sums as the boy William earned out of school-hours, his widowed mother continued "to find bread," but she was so poor that the "bread" frequently consisted of hominy for each of the three meals of the day. The family had to move from their pleasant house and grounds into a very small cottage, and Augustus, the elder of William's two brothers, was taken to live with the family of a kindly Pennsylvanian, "Uncle William Gougar," who had been his father's first neighbour in Illinois.

William continued to attend school. As a pupil he was lazy, but his lively intelligence and a retentive memory enabled him to stand high in his classes. Finding his chief amusement in reading and in drawing pictures that were very often caricatures of his teachers and comrades, he played few games, but wrestled and fought with every boy who challenged his prowess. The fighting instinct and sense of leadership which in later years were to support him in conquering the forces of nature were already surging up within him.

## SIR WILLIAM VAN HORNE

Out of school William was his mother's right hand, making a little money by carrying telegraph messages, helping her in her work, and chopping wood—a task which he then detested and upon which all through his life he looked back with feelings of detestation. He always said it was the only real work he had ever done. While waiting for messages to deliver, he sat about the city telegraph-office, listening to the tap of the instrument and watching the slow unwinding of the tape that spelled out a message in dots and dashes. In this desultory way the messenger-boy picked up some knowledge of telegraphy which was to prove of supreme value to him in his future career. There were at the time only three telegraph-operators in Chicago, and few anywhere west of that city.

His evenings were spent in reading and in copying the illustrations of some old numbers of "Harper's Magazine." Of the pictures thus made he gave panoramic shows to his schoolmates in a barn, and becoming more ambitious, when he was thirteen years old he painted in colours on the back of a roll of wallpaper a panorama of the Crystal Palace, with the towers and spires of London in the distance. The panorama, which is alleged to have been "several score of feet in length," was mounted on rollers and ingeniously fitted with a crank. It was exhibited in a tent at a street corner "under the auspices of W. C. Van

## END OF HIS SCHOOLDAYS

Horne, proprietor; H. C. Knowlton, secretary and treasurer; Henry E. Lowe, business manager." While the treasurer and business manager held the panorama and, by means of the crank, slowly unrolled it, the proprietor stepped to the front and explained its salient features. An admission fee of a penny was charged, but the exhibition attracted so many grown-up people that the youthful syndicate was able to increase the fee.

His schooldays came to an abrupt end in his fourteenth year. For the preceding twelve months he had intermittently attended a new school with a high school department, and, being caught in caricaturing the principal, he was so severely punished that he never went back. But if school tasks were forever ended, he had a fascinating study of his own. In the home of a playfellow, Augustus Howk, he had discovered an illustrated history of Jefferson county, New York. Turning over its pages, he was startled to find a drawing of his own "worm-in-the-rock." It was identical with the piece he carried in his pocket, and in the book it was called a crinoid. The drawing was one of the illustrations of a chapter on geology which the boy at once devoured. Fascinated by the discovery that his specimen was only one of a myriad fossil-forms, he spent every Sunday, in company with Howk, searching the quarries and the bed of every stream in the neighbourhood. Howk also began to collect fossils, and their zealous and

## SIR WILLIAM VAN HORNE

systematic explorations attracted the interest of the state geologist, who gave Howk a copy of Hitchcock's "Elements of Geology."

This book, with its wonderful story of the crust of the earth, now became for William, the most desirable object in life. He could not borrow it, for Howk, having become his rival in collecting, would only let him look into it from time to time. But at length fortune smiled upon him. The Howk family were planning a visit to their old home in New York. His request, pressed with all his powers of persuasion, for a loan of the book during young Howk's absence was refused. He offered, unavailingly, to buy the use of the book with certain of his fossils. Finally, he went over them all, selecting those of which he had duplicate specimens, and offered the whole of his duplicates. To this offer his young friend and rival succumbed, and the book was triumphantly borne to the Van Horne cottage the day before the Howks' departure. The next morning, lest the bargain should be revoked or other catastrophe befall, William and the book disappeared until the Howks had gone on their journey. That night and for many nights, after the day's work was done, the boy pored over the volume. Then he conceived the idea of making it his very own.

Since he had begun to carry messages his small earnings had always been handed to his mother, but he had just been given a tip of twenty-five

## HITCHCOCK'S "ELEMENTS"

cents for himself by the kindly recipient of a telegram. It was the first money he had ever had to spend on himself, and its expenditure was the subject of grave deliberation. He loved then, as all through his life he loved, good things to eat, but at that moment he loved Hitchcock's "Elements" a great deal more. So he took his quarter to a small stationery shop and exchanged it for as much foolscap as it would buy, with the shop-worn sheets thrown in. That night in the small attic that held his bed and his books he began to copy the book. Winter was not far off and the attic was cold, but every night found him there industriously at work by candlelight. Often he worked through most of the night, and in five weeks' time he had copied in ink and with great exactitude every page, picture, and note, together with the index of the book. Of his effort he could say later with comprehending vision: "The copying of that book did great things for me. It taught me how much could be accomplished by application; it improved my handwriting; it taught me the construction of English sentences; and it helped my drawing materially. And I never had to refer to the book again."

He was now applying himself seriously to the study of telegraphy at the city office, for, with his schooldays definitely behind him, he knew that he must work like a man and learn to do a man's job. When Lincoln came to Joliet in 1856, he

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was sufficiently expert to assist in sending over the wire the story of his reception and speech on abolition; and in the spring of 1857, when he was fourteen, the Joliet operator found work for him as a telegrapher with the Illinois Central Railway Company.

The mechanical superintendent's office, to which he was sent, was just outside of Chicago; and the work assigned to him was to his liking and within his capacity. But something of the same desire for leadership and the besting of his fellows that he had shown at school soon asserted itself. A lad of fourteen could only hope to attain eminence of any sort among the grown men about him by the exercise of his wits. Such exercise unfortunately took the form of resorting to practical jokes, for which he had an ingrained propensity. He ran a ground wire from the office to a steel plate in the yards, within view from his window. Every man who stepped upon the plate got a decided electric shock, to the amusement of the boy and the bewilderment of the men, who were noisily declamatory against they knew not what. This was great fun. But the joke miscarried. The superintendent himself received a shock. Unlike the yardmen he had some knowledge of electrical forces, and he started searching for the ground wire. It led to his own office. Hot with anger, he mounted the stairs and demanded of the demure-faced boy his share in the mischief.

## HIS FIRST POST

The youngster promptly, if reluctantly, confessed that it was all his. Whereupon the superintendent took him by the collar, thrust him out of the door, and, with a great oath, told him to go and never come back. The dismissal was definite and final, and the boy took it philosophically and returned to Joliet very much more of a man than when he had left it.

In the autumn he worked on a farm until, through the good offices of a young friend, he was engaged as freight-checker and messenger boy by the assistant-superintendent of the "Cut-Off," a forty-mile branch of the Michigan Central Railway, at a wage of fifteen dollars a month.

Before he had been many months in his new position he prevailed upon the superintendent to urge the construction of an independent telegraph line, which he offered to operate. The line was duly installed, and in 1858 the boy of fifteen took over the wire the report of one of the famous debates between his father's old associates, Douglas and Lincoln, on the abolition of slavery. With more continuous access to the telegraph instrument, the young operator became increasingly expert and was soon able to discard the use of the tape and to receive his messages by sound alone. He was the first operator in his district to do this and among the earliest in the whole country. The achievement gave a decided fillip to his reputation.

The telegraphic work of the office did not, how-

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ever, keep him fully employed. He began to under-study the duties of the cashier, the timekeeper, the accountant, and the other men around him. During luncheon hours and at night he would slip into the drawing-office and copy from the draughtsmen's books. He copied in this way most of the illustrations in a work on perspective, and so acquired a knowledge of the principles of the art. A draughtsman was astonished by the boy's drawings and frequently used his talent for fine lettering. He also began the deliberate cultivation of his memory, which was already remarkable, and would memorize the numbers of a long train of cars as they passed through the yards; challenging his associates to memory contests, in which he was usually victorious.

A visit from the general superintendent, who at that time was the chief executive officer of the Michigan Central, gave him a definite ambition. In a letter, written shortly before his death to his grandson, he said:

We were at the end of a forty-mile branch of the Michigan Central Railroad where we were seldom visited by the general officers of the company, our little branch not being of sufficient consequence. But one day, during my eighteenth year, our general superintendent came. These were before the days of general managers, and the magnitude of a general superintendent was enormous in our eyes.

Everybody from the assistant superintendent down was out to see the arrival of his special train, and as it drew up a portly gentleman in a long and closely-buttoned linen

## YOUNG AMBITION

duster swung himself down from the official car and came forward to meet his assistants—came with that bearing of dignity and importance which consciously or unconsciously attends the great majority of men who have long been accustomed to command. We youngsters watched with bated breath, and when the mighty man had gone away to look over the buildings and machinery we walked around the official car and gazed upon it with awe.

I found myself wondering if even I might not somehow become a general superintendent and travel in a private car. The glories of it, the pride of it, the salary pertaining to it, and all that moved me deeply, and I made up my mind then and there that I would reach it. And I did ten years later, at the age of twenty-eight.

I only mention this to show you that an object can usually be attained through persistence and steadiness of aim, for from that day on the goal I had promised myself was never out of my mind, and I avoided every path however attractive that did not lead in its direction. I imagined that a general superintendent must know everything about a railway—every detail in every department—and my working hours were no longer governed by the clock. I took no holidays, but gladly took up the work of others who did, and I worked nights and Sundays to keep it all going without neglecting my own tasks.

So I became acquainted with all sorts of things I could not otherwise have known. I found time to haunt the repair-shops and to become familiar with materials and tools and machinery and methods—familiar with locomotives and cars and all pertaining to them—and to learn line repairs from the roadmaster and the section-hands—something of bridges from the engineer, and so on. And there were opportunities to drive locomotives and conduct trains. And not any of this could be called work, for it was a constant source of pleasure.

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Much of his leisure was given to the works of Agassiz, Miller, and other writers on geology. Sunday, his one free day in the week, was spent in winter in reading or in arranging his specimens. In the warmer seasons, accompanied by a friend of similar tastes and equipped with a hammer and a bag, he took long tramps in search of fossils. The country around Joliet was especially favourable to palæontological research, for numerous fossils were imbedded in the five geological formations that came to the surface. With this area ransacked, the young geologists went as far afield as the Kankakee river, where they found new specimens in an exposure of Cincinnati limestone. From crinoidea, Van Horne had progressed to trilobites, brachiopoda, and fishes; and his collection contained many specimens which had not yet been classified. No less than nine have been named after their discoverer and continue to carry the descriptive suffix "Van Hornei" in the palæontological encyclopediæ.

The establishment of the Illinois Natural History Society at Bloomington inspired him and his comrades, in the winter of 1859, to institute the Agassiz Club of Joliet, of which he was the first president. The club secured quarters at a nominal rent on the top floor of a bank, and it was agreed that each member should contribute to a permanent exhibit. Since the museum was intended for the public, a Joliet lumber-merchant was asked

## THE AGASSIZ CLUB

to donate wood for the shelving. He refused to contribute anything toward the advancement of "a pretended science which aimed to refute the Biblical history of the world." The club made week-end trips to points as distant as Wilmington and Mason Creek, twenty-five miles away, where a carboniferous formation promised them a large new field for their researches.

The club dissolved when its founder left Joliet, and his ambition to establish a local museum was never realized. Many years later his own collection, enlarged and classified, and especially notable for its specimens of fossil fish-teeth, was given to the palæontological department of the University of Chicago.



## CHAPTER III

### RAILROADING IN WAR TIME

**W**HEN the Civil War broke out, Lincoln's state, like every other part of the country, seethed with excitement. In the dingy office of the Cut-Off the danger threatening the Union became the absorbing topic of conversation among the men working or loafing there. Their talk stirred the boy, and one morning, without a word to anyone, he went to the recruiting office and enlisted for service in the federal army. But he was the main support of his widowed mother, and his exceptional value as a capable telegrapher at a time when the Cut-Off was an important link in the transportation of troops made his retention essential to the railway. As soon, therefore, as his enlistment became known to Knowlton, the assistant-superintendent, the latter provided a substitute and secured his release.

That his employers considered his services to be indispensable did not, however, relieve him from experiencing some days of trouble and anxiety when, the revenues of the Michigan Central having been seriously affected by the war, Knowlton received instructions to reduce his staff. The news spread quickly through the office and the

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yards, and none of the employees was more dismayed by the prospect of dismissal than Van Horne. The vision of a general-superintendent's private car was swallowed in the blackness of the future, and the thought of his home and its needs weighed heavily upon him.

"That evening the chief sent for me when I was in despair. He said: 'You know the instructions sent out. The staff here has to be reduced, but I expect to keep you on. Now how much of the work can you do?' I said, desperately, 'I guess I can do it all.' "

In 1862 the superintendent of the Chicago and Alton Railway offered him a position as operator and ticket-agent at Joliet, with a substantial increase of salary. The Chicago and Alton, like other western roads, was at the time in desperate straits, but Joliet was on its main line and the post would bring him directly under the observation of headquarters officials, so he accepted it. His new duties, which included the sale of tickets and making change, and the receipt and dispatch of telegraph-messages, also gave him something of great value—his first experience in the handling of men. He found occasion, too, to show an initiative and a resourcefulness beyond the routine of his agency. He saw that the butter brought into the station by the farmers for shipment was affected in value and quality by standing in a warm freight-shed. He reasoned that if he could help

## RESOURCEFULNESS

the farmer to get a higher price for his butter, he would get more of the farmers' butter to ship and so increase the earnings of the road. On his own responsibility, therefore, he fitted up a primitive cold-storage chamber in the freight-shed. The idea worked so well in practice that the railway company made general use of it at other points on the road.

Railways were outgrowing the early system of moving trains by hand-chart and watch, and the more efficient telegraphers were sought as train-dispatchers. In 1864, therefore, Van Horne was promoted to be train-dispatcher at Bloomington, a divisional point of the Chicago and Alton, ninety miles distant from Joliet. The dispatching of trains involved great responsibility and demanded the closest attention, and his work-day was twelve hours long; but he was a glutton for work. He frequently took on a few hours of the night-dispatcher's duty and found time to inform himself of the work which was being carried on in the yards, shops, and offices. These were especially interesting to him because Bloomington was the seat of the company's chief car-works and repair-shops, which were equipped on a scale far more extensive than anything he had known at Joliet. The information he thus acquired and the general knowledge he had gained during his service with the Michigan Central soon gave him some authority among his fellow-employees. His

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quick wit and personal force converted this into a recognized leadership. In such disputes as occurred among the men concerning the interpretation of train-rules and similar matters, he was chosen as umpire.

As a train-dispatcher he no longer had his Sundays free for fossil-hunting, but his interest in science was broadening. He remained up all night to make elaborate charts of the progress of a comet, and secured reports of the phenomenon from every alert dispatcher on the line. The state geologist, who was his warm friend, wrote him that the famous Agassiz was passing through Bloomington on a certain train, and asked him to look him up. When Agassiz' train arrived, Van Horne introduced himself and travelled with him for some distance. Their conversation ended with an arrangement for a correspondence which continued until Agassiz' death.

Living economically at Bloomington, he devoted the greater part of his salary to providing for the comfort of his mother and two sisters in Joliet. His brother Augustus was working on a farm; his youngest brother held a small clerical post. His elder sister secured a teacher's licence, but her brothers objected so strongly to their sister doing work outside the home that she never used it.

One Sunday, in 1866, he surprised his family by announcing his engagement to Miss Lucy

## COURTSHIP AND MARRIAGE

Adaline Hurd. The daughter of Erastus Hurd of Galesburg, Ill., a civil engineer engaged in railway construction, she and her widowed mother had come from Galesburg to Joliet and had settled there. "Tall, slender, and dignified, with softly waving black hair, hazel eyes, and apple-blossom complexion," she had been educated at Lombard College, Galesburg. When Lincoln visited that city in 1858, she had been chosen for her beauty and personal distinction to read the city's address of welcome to him.

Miss Hurd went from Joliet to Chicago every week to attend Dr. Ziegfield's College of Music. One night, returning by a late train, she found no one at the station to meet her. Her home was two miles away and the young ticket-agent offered his escort. With a deference to women that was already strongly marked in his manner to his mother and sisters, he hastily crammed his pipe into his pocket. As he walked on, quite overcome with shyness, he forgot that the pipe was still alight, until the odour of burning wool led him to discover that his coat had caught fire. He silently smothered the pipe as best he could.

This meeting took place in 1864, while Van Horne was still stationed in Joliet, and thereafter he began more and more frequently, and as often as he could run over from Bloomington, to visit Miss Hurd at her home. When, after two years of courtship, he announced his betrothal, he wished

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to be married at once. But about the same time his elder sister became engaged, and since her brothers had protested against her earning money for herself, the mother argued that they should now provide her with a suitable trousseau. In this they cheerfully concurred, and it was not until March, 1867, that Van Horne's obligations to his family and his financial circumstances would permit him to marry.

## CHAPTER IV

### A RAILWAY SUPERINTENDENT

**I**N 1868 Van Horne was promoted to be superintendent of the entire telegraph system of the Chicago and Alton. The position entailed the inspection of the telegraph system over all parts of the line and brought him into more frequent touch with the company's leading officials. Already aware of his record for efficiency and initiative, they were struck by his force of character and bearing. The offer of the position of superintendent of the southern division of the railway quickly followed, and was promptly accepted. He moved his family, which now included his infant daughter, Adaline, to Alton. Not yet twenty-six years of age, he now had entire charge over his division of the company's property, of the transportation of passengers and freight, and of the appointment of agents. Moreover, he was under the friendly observation of John J. Mitchell, a director who was already prominent in western railway circles and who resided in Alton. The doors of opportunity were opened wide before him.

In 1870 he was promoted to the Chicago headquarters of the railway and given entire charge of transportation over the system.

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In 1871 occurred the memorable fire that destroyed a great part of Chicago. It started one Sunday morning in October when Van Horne was experiencing all the emotions of a delighted father and an anxious husband, for on the preceding night his wife had given birth to a son. Notwithstanding his great anxiety, as soon as he learned that the fire was approaching the business section and the Union Depot, he hastened from his home on the west side to look after his company's property. He stood on the top of a tall building to estimate for himself the progress of the fire, and saw in the distance great sheets of flame rise like waves over the houses and fall in a trough of fire two or three blocks ahead. Thoroughly alarmed, he hurried to the station and planned, with the few employees he found there, to clear the freight-sheds. As a measure of safety, most of the rolling-stock had already been removed, but he procured a shunting-engine of the Chicago, Milwaukee and St. Paul road which was still in the yards and several flat-cars. Then he went among the crowds on Jackson Street bridge and offered five dollars an hour to every man who would help load the freight on the cars. Many came, but their desire to watch the titanic conflagration soon tempted them to leave, and the young superintendent was almost distracted between his efforts to keep them at work and the constant necessity of hurrying out to secure fresh helpers. Eventually, however, he

## THE CHICAGO FIRE

succeeded in transferring all the freight to a place of safety five miles away. But when he looked around for the workers to pay them their money, they had disappeared—and none ever returned to ask for it. Satisfied that he had done all that could be done to protect the company's property, he returned to his home, black as an Ethiopian with soot and grime. Reassuring himself of the well-being of his wife and her infant, he set to work very quietly and industriously to strip his home of everything, and more than everything, that could be spared. He commandeered a grocer's wagon, and, with his mother's aid, loaded it with clothes and bedding for the shivering refugees from the south side who were camped in the park.

Early in 1872 he again had to move his family and his household goods and "rocks." His new home was in St. Louis. Timothy Blackstone, the president of the Chicago and Alton, and John J. Mitchell, with some associates in St. Louis and in the east, had recently bought the Northern Missouri Railway. They planned to reorganize it and make it a link in the Chicago and Alton's growing system. Connecting the Kansas Pacific with the Alton and Pennsylvania lines, the acquisition was intended as the first step toward the achievement of their private ambition to control a trans-continental line. They organized it, however, as an apparently independent railway under

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the name of the St. Louis, Kansas City and Northern.

Van Horne was chosen to manage and develop this road, which embraced five hundred and eighty-one miles of railway. At the age of twenty-nine he was probably the youngest general superintendent of a railway in the world at that time. Shortly afterwards his intimate knowledge of railway problems received recognition of a different and gratifying character from his brother railwaymen. He attended the first annual meeting of the Railway Association of America and was appointed the chairman of a committee "to report a plan for securing uniformity in locomotive reports, etc."

Installed in his new office, he began with feverish energy to bring the equipment of the road to a state of efficiency, and urged the economy of purchasing steel instead of iron rails. He declared his policy to be to give due consideration to the interests of the patrons of the line, "fully recognizing the fact that all permanent business relations must be conducted in equity and fairness and must be mutually advantageous—or they will cease." And he added that "the highest degree of success in managing a railroad depends upon making it for the interest of the largest possible number to avail themselves of its use," and upon their profiting largely by doing so. Whenever opportunity had offered, as in the installation of

## BATTLING WITH STRIKERS

a cold-storage chamber in the freight-shed at Joliet, he had already acted on these principles himself; and now that he was clothed with managerial authority, he was determined that they should be followed by all his subordinate officers.

Inculcating upon the employees of the road the exercise of the most stringent economy, he required them to give of the best that was in them, but, although he was a strict taskmaster and disciplinarian, he was no martinet, and exacted of no one such long hours of service as he gave himself. Of one weakness, however, namely, drunkenness, he was severely intolerant, and he issued the most stringent rules prohibiting the use of alcohol by engineers, trainmen, and others while on duty.

The dismissal of an engineer for drunkenness brought him his first managerial experience of a strike. The engineer had been replaced by an efficient substitute whom the Brotherhood of Engineers erroneously asserted to be a strike-breaker and a scab. Van Horne refused to discharge him or to reinstate the dismissed engineer, bluntly telling the delegates who interviewed him that "the Chicago and Alton have had their nose brought down to the grindstone too often, and they are not going to do it this time if I can help it."

The fight was a long and bitter one, and the strikers indulged in sabotage of the most ruthless kind. The Brotherhood of Engineers was not then

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the powerful and disciplined organization it has since become, but the men were on their mettle, fearless, and hard to beat. Van Horne, however, showed himself to be a first-class fighting man. Rolling-stock could go daily into the ditch; repair-shops could become crowded; men could murmur and threaten; he was immovable. He was in the fight to a finish. For weeks his working-day ran close to twenty-four hours. He astounded his staff by his disregard of sleep. He was always present to see the first train go out and the last come in. When firemen could not be had, he secured volunteers from his own office-staff to man the locomotives and go out in the dark to face the unknown dangers of a track on which obstacles might be placed or switches maliciously turned. Forty years later he soliloquised: "From the union's standpoint the scab may be a mean man, but sometimes he is an heroic one!"

The strike ended in a complete victory for the general superintendent and the company. The men were gradually brought to realize that if they did their duty, the management would see that they were fairly treated, but that there would be no tolerance of inefficiency or unfaithfulness. "A railway," he reminded them, "was not a reform school." The lesson was driven home by the dismissal of a conductor for disobeying a train-order and of another employee for a slight impertinence to a passenger. Peace brought no slack-

## A SUCCESSFUL NURSE

ening of discipline. On more than one occasion, as he stood about in small stations, his knowledge of telegraphy enabled him to detect disobedience, and the accuracy of his deductions, with the swiftness of his punishments, brought him a reputation for uncanny powers.

It was a happy thing for Van Horne that when he went home at the close of the day, he could leave his work behind him and become a cheerful boyish companion. At thirty-one years of age he is described by a contemporary as being "rather heavy set. His features were handsome. He had dark blue eyes, an aquiline nose, and a firm well-shaped mouth. His forehead was high and quite devoid of hair. His constant manner was that of a person preoccupied with great affairs."

While they lived in St. Louis, Mrs. Van Horne was afflicted with small-pox. To send his wife to the city pest-house, the only provision for such cases at the time, was unthinkable. Taking only the physician and family into his confidence, he isolated himself with her in the attic-study where he kept his fossil collection. As long as the illness lasted he spent his days in the room, nursing his wife and amusing himself with his specimens. At night he changed his clothing, and, having thoroughly disinfected himself, went down to his office when the staff was gone, attended to the day's work, and returned in the small hours of the morn-

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ing to the study to snatch a little sleep or to resume the care of his patient.

After two years of his energetic and resourceful management the St. Louis, Kansas City and Northern was fairly on its feet. Its physical condition, its equipment, and its personnel were such as bade fair to make it a desirable and valuable addition to the Chicago and Alton system. Differences, however, arose among its directors, and Blackstone and Mitchell, abandoning their cherished scheme of a transcontinental line and wearying of the enterprise, sold their interest. But they had no intention of allowing their vigorous superintendent to remain either with the road or in St. Louis.

Among Mitchell's associates were the New York bondholders of the Southern Minnesota Railway. As was the case with other small pioneer roads suffering from lack of proper financing, experienced management, and supporting traffic, the Southern Minnesota was in the hands of a receiver and in very poor condition. Mitchell persuaded the bondholders that the man who could most effectively build it up and convert it into a paying proposition was William Van Horne, and prevailed upon him to leave St. Louis and become its president and general manager. On October 1st, 1874, Van Horne took up residence at La Crosse, Wisconsin.

Before he assumed his new post, however, the

## HIS ABILITY RECOGNIZED

growing recognition of his ability caused him to be selected by eastern capitalists who were interested in the reorganization of the Union Pacific Railway to inspect and report upon the condition and requirements of that road.



## CHAPTER V

### WITH THE SOUTHERN MINNESOTA

**T**HE Southern Minnesota afforded Van Horne the greatest opportunity which had yet come to him. Although it was a small and comparatively unimportant road, he was now clothed with supreme executive power, being president, director, and general superintendent in one—a general manager who could make or break towns, build them up by his favour into flourishing centres or “make the grass grow on their streets.”

But if the opportunity was exceptional, the task was commensurately difficult. The Southern Minnesota's track was the proverbial “streak of rust” on the western frontier, with a main line of one hundred and sixty-seven miles running through Minnesota from Winnebago to La Crescent on the Mississippi. At its eastern terminus connection was made by ferry with the Chicago, Milwaukee and St. Paul Railway. Like many other small western roads, it had been built with state aid in the period of extravagant development that followed the Civil War. Its builders had been more interested in railway speculation than in railway operation, and from the beginning it had led a hand-to-mouth existence.

Into the task of rehabilitating this down-at-

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heels road and making it a dividend-paying property, operating in prosperous communities, Van Horne plunged with the utmost vigour. Dismissing some of his predecessor's staff and replacing them by men who had already worked with him and in whom he had confidence, he immediately instituted measures entailing the most rigid economy. As a first step to clearing the road of its many difficulties, he had accurate maps prepared, and, dealing directly with the owners, he settled all outstanding claims for right-of-way. Multiplying himself, he mastered the details of every department, improved the old sections of the road, and added to the traffic equipment. He succeeded not only in meeting all current obligations, but in discharging many old ones. The first year of his management saw the gross earnings of the road reach the highest amount in its history. The operating expenses dropped from seventy-two to fifty-six per cent. of the earnings, and there was a respectable sum in the treasury.

The most roseate prophecies of the new management had been exceeded, and the bondholders of the road were assured by their executive committee that they had every reason to be satisfied with its improved condition and "its present efficient manager."

Having got his road into something like order and instituted a regimen of the strictest economy in all operating and maintenance expenditure,

## A YEAR OF TRIALS

Van Horne now applied himself assiduously to the task of building up traffic for the road. Wheat being the chief product of the tributary country, he set out to secure every possible bushel. Offering inducements for the erection of flour-mills and suitable grain-elevators, his efforts were within six months rewarded by the erection along the line of six first-class elevators and three large mills. But as though the road were not already sufficiently handicapped, new trials had to be faced. In the spring of 1876 the roadbed was severely damaged by floods, particularly in the Root River valley, where it bridged the winding river nine times in a distance of forty-five miles. Bridges were washed out; abutments, embankments, and tracks carried away; and for twenty-three days all through traffic had to be suspended.

This was before the days of properly equipped and trained wrecking-crews. A few expert men went out from the shops. Gangs of labourers were recruited from the settlers, and they were expected to stay at the work until repairs were finished. The president was on the scene most of the time, supervising their efforts. The restoration of the roadbed and track was so urgent that sometimes the men had to work for two days or more at a stretch without sleep; but the president kept them going by a generous supply of good food and strong coffee.

Van Horne's faith in good food and its bearing

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upon good work found an echo in every eating-house along the line. It was positively understood that no eating-house would be tolerated unless the food was the best possible, and its quality was often personally tested by Van Horne himself. Nor was he unmindful of his own needs. When out on the road it was no unusual thing for him to telegraph ahead for roast-chicken dinners to be prepared for two, and when he arrived to eat both of them himself. But if his appetite was prodigious, it was on no larger scale than his boundless vitality. An inveterate smoker, and working in his office from 9:30 or 10 o'clock in the morning until 11 or 12 o'clock at night, with an interval for dinner, he formed the habit of taking only two meals a day; and he seemed the embodiment of health.

Spring floods and a short wheat crop were not the only trials which beset his road in 1876. A plague of grasshoppers, which had already worked havoc in the northern half of the state, descended upon southern Minnesota, impeded traffic, and devastated the farms. Worse was feared for the coming year, and public prayers for the removal of the plague were proclaimed. The president of the railway had no faith in the efficacy of such a remedy. "It's all very well your turning to prayers," he said, "but I don't believe it will move the grasshoppers. What you have got to do is to take off your coats and hustle."

## A PLAGUE OF GRASSHOPPERS

Such an emergency was well calculated to excite his ingenuity and offered him a problem which he thoroughly enjoyed. He devised a simple plan which he put into operation along the right-of-way. Wide pans of sheet-iron, or stretched canvas, thickly smeared with coal-tar, were drawn by horses over the ground. The grasshoppers, disturbed by their advent, flew up, became hopelessly entangled in the tar, and at intervals could be collected and burned. The scheme was so promising that the farmers adopted it. The state agreed to supply them with tar; the railway co-operated by carrying the tar and iron free of charge. Black heaps of dead grasshoppers soon dotted the prairie. One day, in a cloud that seemed to be miles in length, the survivors flew away. Most of the crop was saved, the net earnings of the road again bounded upward, and operating expenses were again reduced.

Van Horne could not confine his activities to the routine of railway administration, varied from time to time by rate-wars with competing divisions of stronger roads. He organized a company to build a railway which would form a western extension one hundred and sixty miles in length, of his own road, and secured from the State for this extension the re-enactment of an earlier land grant which had been forfeited by the Southern Minnesota through failure to complete its line as originally chartered. The quest of a charter for

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the company brought him into a new field, into a *milieu* which was distasteful and in which his down-right qualities were not likely to shine. He had to make frequent visits to St. Paul to enlighten the State assembly as to the need and desirability of the proposed extension and to exercise all his persuasive powers upon legislators and lobbyists. He impressed the assemblymen as "a man of commanding intellect who knew what he knew for certain," and he obtained the legislation and the land grant he wanted. But his first experience of politics and politicians left an unpleasant impression which he never lost.

The surveys of the extension were actively under way in 1877, and when the company was incorporated early in 1878 the right-of-way was secured and the plans prepared. In creative and construction work he always took special delight. Construction plans, prepared each day, were brought to him in the evening and considered, approved, or altered. Frequently he came to his office in the morning with new ideas to be incorporated in the plans, and these his chief engineer found "were remarkable for their originality and wisdom; and if one just had the knack of grasping his ideas and set to work to carry them out, they always proved to be the best possible."

While construction gangs were rapidly pushing this extension over the Dakota boundary, earning for it as they went the State land grant of

## LEAVES MINNESOTA

315,000 acres, the Southern Minnesota, whose right-of-way was now free of all claims and whose earnings not only met expenses and interest charges but were sufficient to pay off old debts, was attaining a measure of prosperity. In 1877 it passed out of the receiver's hands, and Van Horne could report that "the condition of the entire property will now compare favourably with that of any other road of its class in the northwest." The board of the Chicago, Milwaukee and St. Paul Railway evidently shared this belief, for they began negotiations which resulted, early in 1879, in their purchase of the Southern Minnesota for a price highly advantageous to the bondholders and creditable to the man who had pulled the road out of bankruptcy. The services of its president were not transferred with the railway, for, to the great regret of his devoted staff, he was seized again by Timothy Blackstone and John J. Mitchell for the general superintendency of the Chicago and Alton. It was arranged, however, that he should retain the presidency of the Southern Minnesota and keep in touch with the construction of the extension.

Upon leaving Minnesota, Van Horne closed the most notable chapter of his life in the United States. He had had an unusual experience of executive work in every phase of railroading. Faced with serious competition on a road which had little equipment, he had learned to make one locomotive

## SIR WILLIAM VAN HORNE

tive or one car do the work previously allotted to two. He had tested all kinds of rolling-stock. He had learned to know what to expect from men. And among railwaymen he had achieved an outstanding reputation.

## CHAPTER VI

### WITH THE CHICAGO AND ALTON

**R**EGARDING him as an iconoclast in railway operation, the men of the Chicago and Alton awaited Van Horne's arrival in Chicago with some concern, but those who took pride in their work quickly found their fears dispelled. "Everybody thought Van Horne would tear things. Everybody looked for lightning to strike. Even the general manager was disturbed over his appointment. But Van Horne went his gait in a characteristic go-ahead style, invariably hitting it right."

Although the Chicago and Alton was an important and well established railway system, the general superintendent was spared the tameness of unchallenged prosperity. The road was waging a continual traffic-war with competing railways and at the time was fiercely battling for Kansas City traffic with the St. Louis, Kansas City and Northern, which had a few years previously been under his own management. Happily for him his vitality, energy, and ambition found their completest expression in the joy of conflict, and he fought the battle for his road with such ability and success as not only to meet the highest expect-

## SIR WILLIAM VAN HORNE

tations of his friends, Blackstone and Mitchell, but also to attract the admiration of the heads of other and greater railway systems.

His superintendency of the Chicago and Alton was of short duration. His success in resuscitating the moribund Southern Minnesota and the qualities he displayed in fighting the battles of the Alton so strongly impressed S. S. Merrill, the general manager of the Chicago, Milwaukee and St. Paul Railway that he became anxious to secure his services for that road. In 1879 he made Van Horne an offer that was tempting to a man of his nature. Unable to compete with their stronger neighbours, the small western railways were gradually being absorbed into, and consolidated with, the larger systems. The Chicago, Milwaukee and St. Paul, which already owned and operated over twenty-two hundred miles of railway, had been particularly active in this work of acquisition and consolidation and was contemplating further extensive purchases. Each of the smaller roads brought its individual difficulties of operation, and it was believed that Van Horne's genius was necessary properly to consolidate and operate them as parts of one harmonious system from the Milwaukee headquarters.

As a result of the negotiations Van Horne again severed his business relations, but not his friendship, with John J. Mitchell and Timothy Blackstone, and accepted the new position. Titularly he

## HIS PERSONALITY IRRESISTIBLE

became the general superintendent of the Chicago, Milwaukee and St. Paul, but he was vested with the duties and powers of a general manager.

An unexpected difficulty confronted him on taking up his duties in Milwaukee. His capacity as a railway executive could not be disputed, but a number of important officials objected to a new man being put over their heads. A spirit of antagonism prevailed, and insubordination in the younger officials was encouraged. This was a situation which Van Horne did not relish, for although he did not wear his heart on his sleeve, he had very warm feelings and was sensitively aware of a hostile atmosphere.

Several months elapsed before he could feel that he had entirely won the cordial support of his fellow-officers. He went about his work apparently imperturbable and always strong, buoyant, and capable; and in the end they found his personality irresistible. Always impetuous, at times he exhibited a masterful temper, but his outbursts were invariably directed against carelessness or stupidity and were usually dissolved in a big hearty laugh. His whole nature was positive—positive in opinion and action, in beliefs and disbeliefs—and he had small patience with the doubts and fears of the wavering man. Anything that savoured of crookedness or double-dealing earned his outspoken wrath and contempt. On the other hand, he never failed to recognize ability or to

## SIR WILLIAM VAN HORNE

acknowledge promptly his own mistakes. His patience in threshing out business plans and details was inexhaustible. And in the settlement of all disputes referred to him he adhered rigidly to justice even though all his interest and prejudice might lie in the other direction.

In the first year of his service with the Milwaukee road its trackage was increased from 2,231 to 3,755 miles, but he could give only a part of his time to the task of consolidating the several branches and constituent parts and, through centralized operation, of welding them into one well-co-ordinated system. The road was faced with a more difficult problem. The ceaseless competition between the railways, many of which had been prematurely built to anticipate future, rather than to meet existing, requirements, had resulted in a continual diminution of freight rates. Where it had been comparatively easy to operate a road profitably on an average rate of one and a half or two cents a pound, it was now a matter of great difficulty and grave concern to meet interest charges and maintain dividends on an average rate of a cent a pound or less. The only solution lay in the institution of more economical methods of operation.

Every department of the Milwaukee road in its turn felt the pressure of his hand, but as his most strenuous efforts were directed to securing the utmost economy in the transportation of freight

## REVOLUTIONARY METHODS

by increasing the train-load and lowering the ton-mile cost. Men who did not know of his earlier study of everything that went to make up a train or a railroad were astonished at the liberties he took; men who did know rejoiced in the fertility of his mind. He "made a revolution in the operation of railroads and the cost of operating, and railway presidents of to-day continue to practise the methods introduced by him. He taught the railway world how to load cars to their fullest capacity. In fact, it might be said that he created cars on the Milwaukee by making eight hundred do the work of a thousand. And it was with engines as with cars, and, indeed, with all the equipment."

The locomotive engineers did not relish the new methods. Fifty years had not passed since the first steam-engine had been hailed in America as something supernatural. But twenty years had gone by since the locomotive had been a novelty in Illinois; and to the pioneer engineer his locomotive was a sentient thing. He loved her and hated to put a strain on her. He liked to see her rest quietly in the shops until he was ready to take her out on the road. Van Horne not only ordered that engines should be utilized to their fullest capacity, but he had engines sent out with whatever drivers it was most convenient to employ. Against this practice the engineers protested in vain, and at times, after long runs on

## SIR WILLIAM VAN HORNE

strange locomotives, they would take another run on the locomotives they regarded as their own rather than see them go with strange hands at the throttles.

While he increased the load of the freight engine and the freight car, he showed his appreciation of the value of the fast freight service in competitive traffic by insisting that fast trains should be so loaded and made up as to be fast in reality.

The storekeeping and accounting systems were overhauled and reorganized, and this work brought specially to his notice the cleverness and ability of a young clerk in the Milwaukee stores, Thomas G. Shaughnessy, whom he appointed general storekeeper.

When building the Western Avenue yards in Chicago for the Alton road, he had surprised his colleagues by the amount of trackage he had ingeniously worked into a limited area. Now, on the Milwaukee, he further elaborated the ladder system of tracks which, although not originated by him, had not previously been adopted by that road.

He found work peculiarly to his liking in seeing that railway stations and buildings on the newly-built portions of the line were designed with due regard for harmony and attractiveness, as well as for economy. Up to that time railway buildings in the west, as elsewhere, had been erected with util-

## JAMES JEROME HILL

ity solely in view. The palatial structures of the twentieth century would have been regarded as chimerical. Thoroughly imbued with a sense of beauty and fitness, as well in the common things of life as in the rare, Van Horne now found an opportunity to express himself in the character of the railway structures. Some of the designs which he personally supplied to the Milwaukee road at this time were used; others were carefully filed away, to emerge twenty-five years later when the Puget Sound extension was being built, when they were declared by the road's architects to be thoroughly up-to-date and more in harmony with advanced railroad conditions than any others available.

Among the many men with whom Van Horne's operations brought him into touch was James Jerome Hill, and in 1880 the plans of the two threatened to collide. Hill controlled the St. Paul, Minneapolis and Manitoba Railway, one of whose lines ran up toward Canadian territory. Scanning the horizon for profitable extensions of the Milwaukee system, Van Horne planned to build a branch from Ortonville in Dakota to tap the Canadian territory to the north. He had a line surveyed as far as Moorhead, which was the American terminus of Hill's Red river steamers plying to Winnipeg. Hill and his Canadian associates regarded western Canada as their own special reserve and were opposed to Van Horne's

## SIR WILLIAM VAN HORNE

road securing an entrance there. Hill met Van Horne and Merrill to discuss the question of territorial rights, but they parted without coming to any satisfactory conclusions. Van Horne, however, learned a great deal of Hill's plans and aspirations for developing railway business with Canada, while Hill was greatly impressed by the astuteness of the Milwaukee's superintendent and his designs on Canadian traffic.

Engaged himself in the reorganization and resuscitation of a moribund railway, Hill was well acquainted with Van Horne's successful management of the Southern Minnesota and with the invaluable services he had rendered to the Alton and Milwaukee roads. In 1881 he gave him the opportunity of his life. Up in the wide northern country that was still represented on American railway maps as a problematic white void, with "British Possessions" marked across it, a great railway was being planned. Hill was interested in it. A railwayman big enough for the new enterprise was being urgently sought. He unhesitatingly recommended Van Horne as the one man capable of directing the gigantic operations.

Before following Van Horne, however, on his "great adventure," some reference must be made to his private life and the pursuit of his hobbies during the years in which he was so rapidly forcing his way to the front. He had experienced the sorrow of losing his eldest son, William, who,

## AN ENTHUSIASTIC GEOLOGIST

born at the time of the Chicago fire, died at the age of five; but his grief had been assuaged by the birth, in 1877, of a second son, Richard Benedict, who was the last of the three children born to him.

The pressure of his work at Milwaukee caused him to drop the collecting of fossils which he had actively continued at Lacrosse and at Chicago. In both those cities he often snatched half an hour from a busy day to discuss fossils with some one who had, perhaps, come many miles across the country to sell him a trilobite or brachiopod. All along the lines he was known as a certain market for fossils. The men working at Hokab, outside Lacrosse, in a limestone quarry rich in fossils would telegraph him whenever they uncovered a new stratum. As soon as possible he would appear at the quarry with his hammer, procure a box of specimens, and find recreation at night in preparing them for his cabinet. While residing in Alton he had been tantalized for weeks by the sight of a fine trilobite embedded in a slab of the city pavement. Day after day he passed it, until he could no longer resist it. One morning he came with his hammer, deliberately smashed into the pavement, and carried the trilobite triumphantly away. Whenever he moved—and he moved so often that his mother said they might as well live in a railway car—his specimens were treated as jewels and carefully packed by himself. As long as he continued collecting he

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kept up correspondence with St. John and other American authorities.

At Milwaukee he was also compelled to relinquish the hobby of gardening, which he had taken up at Lacrosse with the determination of producing finer and larger blooms than his neighbours. Frequently he walked far upon the bluffs to get leaf mould for his roses. His garden was dug, planted, and tended with his own hands, and, as it replaced his geological field-work, it gave him the exercise and refreshment he needed after long hours of office-work. He studied fertilizers and soil-mixers. He admired particularly the castor-oil bean, and by massing a number together and coaxing them to a great height he obtained an effect which aroused wonder and admiration. He experimented with *datura cornucopia*, and produced a triple trumpet flower at a time when anything more than the double trumpet form was unknown, at any rate in his locality.

His house in Chicago had ample grounds and large attics and cellars. Some of the latter were light and warm, others cool and dark, and their various temperatures were exceptionally favourable to the growth of tulips and hyacinths. With the idea that each rootlet should be uniformly developed to produce a perfect spike of hyacinths, he used his warm and lighted spaces to promote growth, and his dark and cool spaces to retard it. In the end his blossoms were of such beauty and

## A SKILFUL GARDENER

perfection that, years afterwards, he looked with scorn upon the best that his skilled gardener in Montreal could show him, with all the advantage of a conservatory and up-to-date methods.



## CHAPTER VII

### WITH THE CANADIAN PACIFIC

**I**N order to comprehend the magnitude and the difficulties of the task beckoning the young general manager to Canada, some account of the inception of the Canadian Pacific Railway Company and its purpose is indispensable.

When the provinces of Ontario, Quebec, New Brunswick, Nova Scotia, and Prince Edward Island were, with the Northwest Territories, federated into the Dominion of Canada, the vast area lying between Lake Huron and the Pacific coast was little more than a wilderness. Almost the only white settlers in this Great Lone Land were the employees and dependents of the Hudson's Bay Company, whose trading posts were scattered throughout the Northwest at great distances from one another. The principal post was at Fort Garry, now the city of Winnipeg, which in 1871 had a population of only three hundred and fifty souls. The great mountain ranges completely isolated the colonists on the Pacific from the prairies and eastern Canada. A small but prosperous community had grown up on Vancouver Island, which had steamship communication with American ports on the Pacific but no

## SIR WILLIAM VAN HORNE

means of access to the lands lying east of the Rockies or, indeed, to the interior of British Columbia. They had long keenly felt the need of closer communication with other parts of British North America, and their interest in obtaining it had been quickened by the discovery, in 1858, of gold in the Cariboo district. From Quebec and Ontario the Northwest could be reached only by a circuitous journey by rail and stage through Chicago and St. Paul or by rail and steamer to Port Arthur, and thence by saddle-horse, wagon, and canoe.

For many years prior to confederation the imagination of engineers and promoters, as well as of politicians, had been held by the vision of "clamping all British North America with an iron band," and several ineffectual attempts had been made to obtain charters and subsidies for such a road. After confederation and the acquisition of the rights of the Hudson's Bay Company in the Northwest Territories, the construction of an overland railway speedily assumed the aspect of a national necessity. The spirit of national unity which had led to the union of the Canadas and the Maritime Provinces was intensified by the first trial of the strength of the young Dominion when it was faced, in 1870, with the task of crushing the Riel rebellion. The fact that it took ninety-five days to transport troops from Toronto to Fort Garry over the best, if not the only possible,

## CANADA'S RAILWAY NEEDS

route brought home more forcibly than anything else could have done the need of a western road.

These, briefly, were the conditions when long-pending negotiations terminated, in 1871, in the incorporation of British Columbia with the Canadian federation, upon the express stipulation that the Dominion within two years would begin, and within ten years complete, a railway linking up the new province with eastern Canada.

The fulfilment of this obligation by a nation of four million people and small means was felt to be a tremendous undertaking. The cost of the road would be at least \$100,000,000, and the engineering difficulties were stupendous. It was not known that a railway could pierce the Rockies; indeed, Captain Palliser, a competent explorer and engineer, had declared after four years' labour in the field that a transcontinental line could not be built exclusively on British territory. The Opposition, therefore, had sound reasons for protesting against any attempt to complete the railway within the stipulated ten years. The government of Sir John Macdonald, however, was determined to redeem its pledge to British Columbia, and decided that the road should be built by a company, aided by liberal subsidies in cash and in land. Sandford Fleming, a distinguished engineer and explorer, was appointed to make a survey and report, if possible, a feasible route.

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Sir Hugh Allan of Montreal the chief owner of the Allan Steamship Line and a man of wealth and high business reputation, was induced to come forward with an offer to build the railway. Shortly afterwards a company was organized by D. L. Macpherson and other Toronto capitalists for the same purpose. The government sought, without success, to effect an amalgamation of the rival organizations, with Allan as president. Following the general election of 1872, a charter was granted to a new company organized by Allan, but it fell through when it was disclosed in parliament that he had contributed a large sum of money to Sir John's election funds; and the premier and his ministry felt obliged to relinquish office.

The new government, under the leadership of Alexander Mackenzie, after vainly endeavouring to induce other capitalists to undertake the enterprise, decided to make it a government work and construct it bit by bit as settlement and the public funds might warrant. Contracts were let for small sections of the road: one from Port Arthur westward towards Selkirk; and another from Selkirk to Emerson on the international boundary, where it could connect with an American line, the St. Paul and Pacific, controlled by J. J. Hill and his Canadian associates. Substantial but slow progress was made on these two sections, and efforts were made to obtain from British Columbia an

## INITIAL WORK ON THE C. P. R.

extension of the time for the completion of the road. Nothing, however, was being done on the Pacific coast; the colonists were protesting against the long delay and threatening to withdraw from confederation. So clamant were they that the amiable and eloquent Lord Dufferin went out to the coast to assure them of the anxiety of everyone concerned to build the road. They received him hospitably, declined the offer of a wagon-road in place of a railway, and promptly renewed their protests and their threat.

In 1878 Sir John Macdonald was swept back into power on a policy of protection of national industries, and continued for two years the work begun by his predecessor. Contracts were let for the completion of the line between Port Arthur and Selkirk and its extension to Winnipeg, and for a distance of two hundred miles from the last named point. A contract was also made for the section between Yale and Savona's Ferry, near Kamloops, after it had been decided to follow the route adopted by the Mackenzie government through the Yellowhead Pass, down the Thompson and the Fraser to Port Moody on Burrard Inlet.

The ten years stipulated for the completion of the road had nearly expired, and owing to financial depression, changes of government and policy, disputes as to route and terminus, little had been accomplished. Sir John Macdonald was advised

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that the road could be more expeditiously and advantageously built by a private company, and became converted to the wisdom of that policy. At the suggestion of his colleague, John Henry Pope, he turned to a remarkable group of Canadians who had achieved phenomenal success in the reorganization of a small railway in Minnesota and had laid the foundations of great individual fortunes. Of their association in that enterprise an interesting story is told, which illustrates upon how slender a thread hangs the destiny of men.

Donald A. Smith was a frugal, ambitious, and tenacious Scotchman who, emigrating to Canada in his early youth, had risen in the service of the Hudson's Bay Company to the important position of chief commissioner. His long service with that company had brought him an unequalled knowledge of the northwest, and in the course of his annual visits to the east he passed through St. Paul, where he met and discussed the railway situation with two Canadians, Norman W. Kittson, a former Hudson's Bay factor, and James J. Hill, who had gone in his boyhood from an Ontario farm to St. Paul and was carrying on a business in coal and wood. Kittson and Hill were interested in a Red River transportation company and were casting covetous eyes upon the St. Paul and Pacific Railway. This small line, of a scant three hundred miles in

## ST. PAUL AND PACIFIC RAILWAY

length and running through St. Paul to a point on the Red River, was in desperate plight. Its Dutch bondholders in 1873 had thrown it into the hands of a receiver, and its prospects were so unfavourably regarded that the bonds were practically unmarketable. Hill and Kittson, having a thorough knowledge of the railway situation and a firm faith in the future of the country, were convinced that the road could be built up into a highly profitable property, and Smith soon shared their convictions. The necessary capital, however, was lacking. During his visits to Montreal Smith frequently spoke of Hill and his plans to his cousin, George Stephen, another Scotchman and a highly successful merchant and manufacturer who was appointed in 1876 the president of the Bank of Montreal, and to Richard B. Angus, yet another Scotch-Canadian, who was general manager of the same bank. He introduced Hill to Stephen in 1877, and it was arranged to ascertain the price at which the Dutch would sell their bonds.

In September, 1877, Stephen and Angus were obliged to visit Chicago on legal business of the bank. One of the law's delays left them with a few free days on their hands, and they decided to visit some other city. Stephen wanted to see St. Louis, but Angus said: "No, let us go to St. Paul and see this man Hill about whom and his railroad Donald Smith is always talking." Each adhering to his wish, they agreed to abide by the

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fall of a coin. The coin said St. Paul, and to St. Paul and James J. Hill they went. A trip over the St. Paul and Pacific line dispelled Stephen's doubts concerning its prospects and resulted in the formation of a syndicate, of which John S. Kennedy, a New York banker who had been agent for the bondholders, subsequently became a member. The Dutch interests were acquired, the mortgage foreclosed, and the road reorganized as the St. Paul, Minneapolis and Manitoba—destined to develop in the following decade into the Great Northern Railroad.

Sir John Macdonald could not have approached any men better able to undertake the construction of the Canadian Pacific. Their own road touched the Canadian boundary, their steamers plied the Red River to Winnipeg, and they had a first-hand knowledge and experience of the west and western railways. Donald Smith, particularly, had been for many years a most active protagonist of a Pacific railroad, but all the Canadians in the group were actuated by a strong desire to promote the development of Canada. Stephen was the most reluctant, but yielded when he was assured that the burdens of management would fall on other shoulders. Duncan McIntyre, another Montreal merchant, who controlled the Canada Central, running from Brockville through Ottawa to Pembroke and under construction from that point to Callandar, the eastern terminus of

## CANADIAN PACIFIC SYNDICATE

the projected Canadian Pacific main line, also agreed to join the syndicate. The government leaders went, with Stephen and McIntyre, to London to seek capital. They failed to interest the Rothschilds or the Barings. The president of the Grand Trunk, Sir Henry Tyler, offered to build the road if a line through American territory south of the lake were substituted for the Lake Superior section, a condition which the government refused to accept. Eventually, a firm of Paris bankers and Morton, Rose & Company of London, on behalf of themselves and their New York house, Morton, Bliss & Company, entered the syndicate.)

A contract was executed between the government and the syndicate in October, 1880. In consideration of the company undertaking to build the road within ten years, the government covenanted to grant all lands required for its road-bed, stations, workshops, buildings, yards, dock-grounds and waterfrontage, and to subsidize the company with \$25,000,000 in cash and 25,000,000 acres of land, to be selected in alternate sections along the line of the railway in the Northwest Territories, and all to be fit for settlement. The company and its property were to be forever free from Dominion or provincial taxation, and the subsidy-lands until they were either sold or occupied. The contracts stipulated that for twenty years no line of railway should be authorized by

## SIR WILLIAM VAN HORNE

the Dominion parliament to run south of the Canadian Pacific Railway, except such line should run southwest or westward of southwest, nor to within fifteen miles of latitude 49°. The company was to have unusual powers to construct branch lines along the entire length of the railway; to establish lines of steamers at its termini; and to construct and work telegraph lines for business of the public, as well as for its own business. The portions of the railway already completed by the government—about one hundred and thirty-five miles of main line from Winnipeg to Rat Portage and a branch line sixty-five miles in length from Winnipeg southward to Emerson—were to be transferred to the company. The government further undertook to complete and transfer free of charge three hundred miles of main line from Rat Portage eastward to Thunder Bay on Lake Superior, and two hundred and thirteen miles from Port Moody, the Pacific terminus, eastward to Kamloops. The capital stock of the company was fixed at \$100,000,000, and the company was authorized to issue bonds on the security of its land-grant to the amount of \$25,000,000.

Ratification of the contract was bitterly opposed by the Liberal party, led by Edward Blake, who denounced the contract as extravagant and certain to involve disaster. They contended strongly for a route running from Sault Ste. Marie through Michigan and Minnesota instead

## THE COMPANY INCORPORATED

of north of Lake Superior. They argued that such a modification would bring Montreal traffic from the American, as well as the Canadian, west. An all-Canadian line should be postponed until warranted by western settlement and traffic. A rival and, it was alleged by government adherents, a sham syndicate, headed by Sir William Howland, was hastily organized. This syndicate offered to build the road projected by the government for lower subsidies and to forego the monopoly clause and tax exemptions. The Opposition was outvoted; the contract was duly ratified by parliament; and the company was incorporated in February, 1881.

The character of the country to be traversed by the railway was not without some alluring prospects. For some distance east of Lake Nipissing the road lay for the most part through an old and well developed country and commanded the immense lumber traffic of the Ottawa valley. The Lake Superior section to Winnipeg ran through many forests of valuable timber and through mineral lands abounding in iron and copper. Between Winnipeg and the foot-hills of the Rocky Mountains, a stretch of nine hundred miles, lay one of the finest agricultural regions in the world, and in this district nearly the entire land grant of the company was located. Coal, to the extent of at least 40,000 square miles, was found to underlie the southern and western por-

## SIR WILLIAM VAN HORNE

tions of this prairie region. The section between the Rockies and the Cascade Mountains had not been thoroughly explored, but coal was known, and valuable minerals were believed, to exist there; while on the Pacific slope there were immense forests of Douglas fir and other valuable timber, with extensive coal fields in which development had already been begun. The coast region, besides affording admirable facilities for shipping and navigation and an inexhaustible supply of fish, contained much fine land suitable for agriculture, grazing, or fruit-growing.

Immediately upon the issue of the charter, the company was organized under the presidency of Stephen. The Canada Central was absorbed, and the directors decided to proceed without delay with the construction of a branch from Callander to cross the river St. Mary at the Sault. Headquarters was established at Winnipeg and operations were begun under the direction of A. B. Stickney, who afterwards became president of the Chicago Great Western. But a man of great driving power was the need of the hour. Stephen turned to Hill, who strongly recommended Van Horne, because of all the men he knew Van Horne was "altogether the best equipped, mentally and in every other way. A pioneer was needed, and the more of a pioneer the better."

The salary offered by Stephen was the largest that had ever been given to a railwayman in the

## VAN HORNE GOES TO CANADA

west. Tempting it had to be, for the success of a transcontinental line through the comparatively barren lands of Canada was extremely problematical, and the railwayman who undertook it was risking his reputation and his career. For Van Horne the risk was real and substantial, for none stood higher in the railway world or had better prospects of advancement. Before he gave his answer he slipped quietly up to Winnipeg with Hill and drove a long distance over the plains to see the country for himself. He was profoundly impressed with the quality of the grain he saw in the fields, with the unusually large vegetables, and with the abundant crops grown by the Red River settlers. Satisfied with the promise of the land he was specially attracted by the other aspects of the enterprise. The task was the execution of the greatest railway project ever undertaken in any part of the world. The natural difficulties to be overcome were unparalleled. The very immensity of the work, with all its difficulties and uncertainties, challenged his fighting instincts and offered the greatest opportunity that could ever come to him of satisfying his master passion, "to make things grow and put new places on the map."

He returned to Milwaukee to resign from the Chicago, Milwaukee and St. Paul and to accept Stephen's offer.



## CHAPTER VIII

### BUILDING THE CANADIAN PACIFIC

**L**EAVING his family behind him in Milwaukee, Van Horne arrived in Winnipeg on December 31st, 1881, bringing with him as general superintendent of the western division, his Minnesota colleague, Egan. The temperature was forty degrees below zero, but the city was enjoying the gaieties of the New Year.

He began his work in small temporary quarters over the office of the Bank of Montreal. His welcome had something of the chilliness of the Manitoba frosts. Among his own people on the Milwaukee he had had to overcome the natural objection of a clannish personnel to the intrusion of a leader from another camp. Here in Winnipeg and Canada his reception was coloured by the underlying national antagonism that prevailed on both sides of the border. The reluctance of the Canadians and the British on the company's staff to pass under the direction of a "Yankee" found expression in the Opposition press, which attacked the company for entrusting the construction of the railway to an "alien," and the government for allowing it. Abhorring graft and dishonesty in every form, he was able at an early

## SIR WILLIAM VAN HORNE

stage to discover and stop leaks in a rather lax organization which were sapping the life of the enterprise. He dispensed, swiftly and without caring whose feelings were hurt, with the services of all officers and agents whom he found to be using the company for the furtherance of their own fortunes. These stern measures, culminating in the prompt dismissal of a popular official who was engaged in an ambitious scheme to buy townsites along the line of railway in the interests of a group of speculators, did not lighten the atmosphere of hostility and criticism. Some echoes of this unfriendliness found their way back to his friends in the western states, who sent him indignant messages, urging him to "leave them to build their own road and come back here to your friends."

Van Horne was too big and far too busy a man to be much disturbed by the character of his reception. As the days slipped by, closer contact brought understanding which ripened into mutual respect and liking. His "amazing versatility and his knowledge—it seemed—of everything" won the admiration of his fellow workers; and in the end, his personality, with its heartiness, its swing, its magnetism, brought them irresistibly to a loyal and devoted acceptance of his leadership.

Shortly after his arrival in Winnipeg he went east to Ottawa and Montreal and met the company's president and directors and other prom-

## J. J. HILL AND THE C. P. R.

inent Canadians. This visit saw the beginning of a close-knit, confidential, and abiding friendship between himself and Stephen. Thereafter these two men were to be the great force behind the enterprise.

Among all the members of the syndicate, Hill was the only one with actual experience of railway management, and Stephen and his colleagues had naturally looked to him for advice on all matters pertaining to construction and operation. Now he was to be displaced by Van Horne. It was impossible for two men so restlessly ambitious and so masterful to work harmoniously side by side. Moreover, their interests were divergent, and a difference speedily arose between them.

At the inception of the syndicate Hill and Stephen formed the opinion that the Lake Superior section could not profitably be operated, and should not be constructed, in any event, as early as the remainder of the line. In the meantime they projected a connection at Sault Ste. Marie with a branch of Hill's road, the St. Paul, Minneapolis and Manitoba, in which they had so great a stake. To effect that connection they had, upon the organization of the company, decided to build a branch from the main line of the Canadian Pacific at Callander to the Sault. It is beyond question that Hill would never have joined the syndicate if he had not counted upon his Ameri-

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can road benefiting, through this connection and for many years to come, from the haulage of through Canadian traffic. He anticipated that the connection would give him virtual control of the Canadian Pacific. The construction of the Lake Superior section, affording a continuous line through Canada from Montreal and Ottawa to the Pacific, would not only frustrate his plans for the future, but would deprive his road of the east-bound Canadian traffic it already enjoyed. He, therefore vehemently opposed it. The view that construction of the section should be deferred until warranted by western settlement and traffic was very generally held. It had been urged, it will be remembered, by Blake and the Liberal party. It had been adopted by the Mackenzie government which had, however, planned to transport passengers and freight across the Great Lakes by steamer, rather than send them around through American territory. Sir John Macdonald and his vigorous chief lieutenant, Sir Charles Tupper, had all along contended, and were disposed to insist, that the line and the routing of traffic should be confined within Canadian boundaries. The government leaders found their strongest advocate in Van Horne. Advancing the idea of a route skirting the waters of Lake Superior to Thunder Bay and the utilization of water transportation to overcome the immense difficulty of providing supplies, he declared that the difficult lake section

## SELECTING A ROUTE

could be built and profitably operated. His vision had immediately fastened upon the value of a through traffic which would make the railway independent of local traffic from the rocky, uninhabitable lake region, while the thought of an intermediary connection with a road controlled by Hill was as repellent to his railway sense as to his personal feelings. He was positive in the opinion that the line should go straight through Canada from coast to coast, and that the sooner and the straighter it went through, the better it would be for everyone. This course was promptly adopted by the directors, new surveys were arranged, and before the close of 1882 some progress was being made in construction. Hill, intensely chagrined and disappointed by the decision, withdrew from the company early in 1883 and sold out his stock. He was shortly afterwards followed by Kennedy.

Another matter of extreme importance was settled during Van Horne's visit. The company's charter had stipulated that the railway should cross the Rockies by the Yellowhead Pass, and the route chosen by Sandford Fleming across the prairies from Selkirk to the Pass ran northwesterly and roughly through the valley of the North Saskatchewan. The company had decided early in 1881 to adopt a far more southerly route, which was a hundred miles shorter and would be likely to prevent the construction at a later period of a rival road to the south. The southerly route would

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bring the line to the Kicking Horse or Hector Pass, rather than to the Yellowhead. Here, however, they were confronted by a great difficulty. Between the Kicking Horse and the Gold Range rose the giant Selkirks. Major Rogers, an able American engineer engaged by Hill, who spent the summer of 1881 in a preliminary survey of the range, was confident he could find a way through; but so far none had been discovered. The weight of engineering opinion favoured the Yellowhead Pass, which offered a route of easy grades and few difficulties of construction. Van Horne unhesitatingly threw the weight of his faith in favour of the Kicking Horse, and the directors determined to take a chance and construct the road through to that point. If no way was found through the Selkirks, the road, after piercing the Rockies, could make a detour along the curving Columbia. They were not kept long in doubt, for a few months later, in July, 1882, Major Rogers discovered a difficult but available pass which has since borne his name. Rogers and his transit man, a hard-bitten Rocky Mountain engineer named Carrol, had been five days up the South Fork of the Illecillewaet, and were camping one night at the foot of the great glacier. Their supplies were down to a dog tent, five plugs of chewing tobacco, four beans, and a slab of sour-belly. Rogers, pointing to the shoulder of a distant peak, now called Mt. Macdonald, said they

## THE ADMINISTRATIVE STAFF

would probably find a pass there, and it would only take two or three days to find out. After ruminating for a few moments, Carrol said, "Well, it may be all right for you, Major, but we've eaten our last bannock. You may be willing to die for glory, but how about me?" The Major thought for a while and then said, "I'll tell you what I'll do, Carrol. If that pass is there I'll name that mountain after you," pointing to what for many years was known as Mt. Carrol, but is now known as Mt. Tupper. They found the pass, coming through more dead than alive.

Having assured the directors that he would build five hundred miles of railway during the season of 1882, Van Horne hurried back to Winnipeg to start operations. He had already recast and reinforced the administrative staff. Thomas Tait, who was afterwards to become the highly successful reorganizer of the state railways of Victoria, was appointed his private secretary. Kelson, of the Milwaukee road, was persuaded to throw in his fortunes with those of his former chief and was appointed general storekeeper at Winnipeg. A major need remained for a man at Montreal capable of organizing at that end the supplies and commissariat for the army of men Van Horne would shortly have in the field. For this important service his choice fell upon another of his Milwaukee associates, Thomas G. Shaughnessy, who was appointed general purchasing

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agent. By no means infallible in his choice of men, in this instance Van Horne builded, perhaps, better than he knew, for Shaughnessy was destined to become not only the first and the ablest of his lieutenants but, in the course of time, to succeed Van Horne himself in the control of the great transcontinental highway and to develop it to a magnitude and height of prosperity which few of its creators could possibly have foreseen.

The proposal to build five hundred miles of track in one season was held to be ridiculous. Two governments had sunk many millions in construction during a period of ten years, yet less than three hundred miles had been completed east or west. During the season of 1881 the company itself had built only a little more than one hundred miles. Moreover, not a particle of construction material existed on the prairies. How could a line of supply possibly be carried in advance for a distance of five hundred miles in one summer?

While the snows were lying heavily on the ground, Van Horne began to assemble supplies at Winnipeg in unheard-of quantities. Steel rails came from England and Germany, ties from the spruce forests east of Winnipeg, stone from Stonewall, and lumber from Minnesota and Rat Portage. Before lake navigation opened, rails and equipment were coming in by way of New Orleans. The men in the yards of his old town, Joliet, were surprised by the sight of a whole train-load of

## ASSEMBLING MEN AND MATERIAL

steel rails on its way to Winnipeg; but train-loads of supplies for "Van Horne's new road" soon became so common that they ceased to excite interest.

The prairie contract from Flat Creek (Oak Lake) to Calgary was let to Langdon and Shepard, a firm of experienced railway contractors at St. Paul. The day they signed the contract they advertised for three thousand men and four thousand horses. To have a body of men entirely amenable to his own orders and to set a pace for the contractors, Van Horne organized a special construction gang to follow in the rear of the contractors and complete their work. Along the line of the railway this gang became known as the "flying wing."

Every day saw large quantities of material sent to the front. Fuel had to be supplied, for the prairies were barren of all but grass, and when coal ran short the men had to burn ties. The stores branch had a line of checkers strung out between New York and the Red River, reporting daily the arrival and the movement of all supplies. Back in Montreal Shaughnessy was keeping track of the materials and supplies which were being swallowed up in the hungry maw of the prairies and providing for the daily needs of the army of men at work. Inundations of the Emerson branch by over-flooding of the Red River brought delay; but as soon as locomotives could run on the rails

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without the water putting out their fires, trainloads of materials were rushed up to Winnipeg and thence dispatched to the construction point.

Over five thousand men and seventeen hundred teams were working at high pressure on the prairie section all the summer, to fulfil the general manager's boast. Long as are the summer days in the Northwest they were not long enough, so night gangs were put on the bridges and on the handling of lumber and rails. Fortunately there was no need of advance companies of men to clear the land, for the undulating plains bore neither forest nor bush. Following upon the heels of the locating parties came the ploughs and scrapers, tearing into the old buffalo land, moulding it, and branding it to the new bondage of progress. Behind these, on the new-laid road were hauled the boarding-cars and the construction cars laden with material for disciplined battalions of track-layers. As each gang finished its work on one lap it moved automatically to the one ahead. Behind these road-builders were other thousands—trainmen bringing up materials and Gargantuan supplies of meat and flour, cooks, tailors, shoemakers, blacksmiths, carpenters, sadlers, and doctors. The line threaded its way across the western plains at the rate of between two and three miles a day.

There were fully ten thousand men employed upon the prairies, the eastern section, and branch

## AN INDEFATIGABLE WORKER

lines during the season, and Van Horne was the brain-centre directing all. Compared with the task upon which he was now engaged, his former labours on the Southern Minnesota and the Milwaukee railroads had been child's play. But the greater the task, the greater the zest with which he laboured and the greater his enthusiasm for the goal to be achieved. He was bent on breaking all records in railway construction, and whether at the front or in his dingy headquarters at Winnipeg keeping track over the telegraph wire of every mile of progress, of every pound of material or provisions consumed, he enjoyed himself to the full. He moved about continually, "going like a whirlwind wherever he went, and stimulating every man he met." From the end of the steel rails he would descend from his shabby little car and drive in a buckboard over the prairie, observing and noting everything. At night he rested in the construction camps, where the food and lodgings of the men came under his survey. When his official work was done he sketched his fancies on buffalo skulls or organized foot-races and target-shooting among the men.

In his Winnipeg office, where a maze of matters always clamoured for immediate attention, he found time between hurricanes of work "to talk on any conceivable subject." His powers of endurance were such as to give rise to many legends which still linger in the West. Certainly he worked

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all day and every day, and frequently far into the night. Occasionally he would spend a night at the club, playing poker or billiards, never willing to relinquish the game until he had beaten his opponents either by superior skill or by the supremacy of greater physical powers. "Then," as a contemporary has recalled, "about 6 a.m., when the rest of us were nodding in our chairs, he would rub his eyes and go down to his office for a long hard day's work.

The lines already built out of Winnipeg did not escape his attention. His unexpected visits to the station-yards were as eventful as ever. They left men with a new and more vigorous conception of traffic handling, as well as a lively admiration for a vocabulary of picturesque vituperation. The operations under his direction required a great driving force which he was well able to furnish. His methods were often drastic and sometimes ruthless, but without employing them he probably could not have accomplished what he did.

Self-willed, determined and dominant, gifted with a natural genius for construction and an intuitive grasp of engineering problems, and thoroughly versed in the practice of western railroads, his ideas frequently clashed with the theories of British and Canadian engineers.

"He always acted," one of them has said, "as if nothing were impossible. He hated the express-

## A HERCULEAN TASK

ion 'can't,' and he deleted the word 'fail' from his dictionary. He wasn't always right. He was the kind who would go out to the side of a mountain and say, 'blow that down!' He wouldn't ask if or how it could be done; he would just say, 'do it!' Sometimes the thing was impossible under ordinary circumstances, but he had such luck. Some accident or other would happen so the thing could be blown up or torn down without any harm coming of it. . . . His luck, his daring, and his fearlessness just carried him through."

As the summer wore on it became evident that construction on the prairie section would fall far short of the five hundred miles the contractors had undertaken to build. The time lost through the Red River floods had not been made up. Out on the plains Van Horne called a counsel of contractors and engineers and in uncompromising terms insisted that the five hundred miles should be completed. The contractors declared it to be impossible, but under threat of cancellation of their contract they obtained large reinforcements of men and horses from St. Paul and redoubled their efforts. The arrival of winter finally compelling them to stop, the company's own gang was ordered up, to continue work as long as possible on the frozen track.

The five hundred miles of main-line track had not been laid, but 417 miles had been completed, together with 28 miles of sidings, and 18 miles of

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grading were ready for the next season. In addition to this, over 100 miles of track had been laid on the southwestern branch in Manitoba. The feat of building five hundred miles across the prairies, which every one had ridiculed as being impossible, was regarded as "a wonderful accomplishment, and only Van Horne with his marvellous energy, determination, and power of organization, and his great faith in his work, could have done it."

The progress of the railway astonished the people of Canada, and the directors of the company were highly gratified. The government was completing its section of the road to Thunder Bay, and the company had acquired by purchase a line between Montreal and Ottawa which allowed them to operate a continuous line from Montreal to Lake Nipissing and from Rat Portage to Moose Jaw. In all, during the year 1882 620 miles of railway had been located, 508 miles built, 897 miles of telegraph built, and 32 stations and some scores of other railway buildings erected. The progress justified the directors in officially informing the government that, although they were given by their charter ten years within which to complete the line, they would in all likelihood be able to complete it by the close of 1886.

When the season's work was finished Van Horne transferred his offices to the headquarters of the company in Montreal. During the spring

## MOVES TO MONTREAL

he had made arrangements for bringing his family to that city, where he had selected a spacious stone house on Dorchester Street, hard by the residence of Donald Smith.



## CHAPTER IX

### IN THE PATH OF LA VÉRENDRYE

VAN HORNE had set work going on the prairies with such impetus that a few months of the coming season of 1883 would see the road well up to the mountains. There remained the two difficult sections, the mountain and the Lake Superior. The cost of constructing the latter would be enormous. A pamphlet issued in London by the Grand Trunk Railway's supporters, who were actively opposing the new line, described the country north of the lake as "a perfect blank, even on the maps of Canada. All that is known of the region is that it would be impossible to construct this one section for the whole cash subsidy provided by the Canadian government for the entire scheme."

Van Horne was under no illusions as to the gravity of the undertaking. It had been his idea to build as near the lake as possible, in order that supplies for the work could be transported by water. Contracts for the line had been let and supplies assembled. It remained to provide an efficient steamship service. Following unsuccessful negotiations with the owners of a short line of railway running from Toronto to Collingwood, water transportation was assured by the acqui-

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sition of the Ontario and Quebec and its leased line, the Toronto, Grey and Bruce Railway, which gave him a lake port at Owen Sound on Georgian Bay.

From Owen Sound supplies were rapidly sent forward to points one hundred miles apart on the north shore of Lake Superior. Rude portage-roads were blasted out with dynamite and large quantities of supplies shipped during the winter months so that the frozen inland lakes and trails might serve. With the advent of the summer sun these small lakes were crossed in boats, and wagons were used over the intervening distances to the supply-bases. Dog-trains were employed for local distribution and to haul food to the various construction camps.

Quarries were opened up to provide stone for the heavier work, and on Van Horne's initiative three dynamite factories were established north of Superior, with an output of three tons a day; thereby effecting in one stroke a large saving in the cost of explosives and eliminating a serious difficulty of transportation. On one of his visits of inspection he found men struggling to lay rails over a mosquito-infested swamp. His search for a remedy resulted in his importing from Chicago the first track-laying machine to be used in Canada. Its uncanny powers so startled the French-Canadian track-layers that they were with difficulty prevailed upon to use it.

## INDIANS ON THE PRAIRIES

In the meantime his expectations of progress on the prairie section were being handsomely realized. From the beginning of April, when grading recommenced, the head of steel pushed forward in the path of La Vérendrye out of the central plains into the more populous region inhabited by Blackfeet and Piegans, fur-traders, and the Mounted Police. The rate of progress surpassed that of 1882. Day after day the average advance was three and a half miles, and in one record-smashing drive of three days twenty miles were covered.

Old-timers, missionaries, and Indians would come at times to some vantage point and look on, fascinated, at the great serpent of steel wriggling over the plains. To Père Lacombe, the famous missionary to the Blackfeet, who in 1857 had organized the first ox-cart transportation across the Canadian plains, the spectacle, astounding as it was exhilarating, reminded him of "a flight of wild geese cleaving the sky." But it was saddening, too, for it meant the beginning of the end, and no dignified end, of his "*brave chasseurs des prairies*," the Blackfeet. !

But the railway-builders were yet to hear from the Indians. Widely-scattered groups had been encountered in Manitoba and on the central plains. They were, however, but feeble shadows of their fighting forefathers, and the railway-builders, as they approached the territory of the

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Blackfeet, derided the rumours which reached them of an Indian uprising. They entered the Blackfeet reservation with unconcern, but one morning found that the first rail laid upon the Indian lands had been torn up in the night. The still warlike Indians were determined to repel trespassers upon their territory. The Blackfeet had already held a war council when, some time previously, the locating engineers crossed the reservation set aside for them by the government. Now the younger element among them strongly urged fighting, if the invading pale-faces continued to tear up their land to make a trail for their fiery horse.

The Blackfeet had a genuine grievance. The government had undertaken to extinguish the title to any Indian lands required for the company's right-of-way, but had neglected to warn the tribe of its action and of its intention to give compensation. Crowfoot, the Blackfoot chief, was an old man of noble character, distinguished as a warrior and councillor. He had always treated the whites most fairly, and he now felt himself wronged and insulted. His young warriors were loudly indignant, and plans for an attack were freely discussed. This *dénouement*, however, was fortunately averted by Père Doucet, the amiable young missionary to the tribe. Feeling himself incapable of controlling them if Crowfoot were once to consent to a rising, he secretly sent a courier

## PERE LACOMBE AND CROWFOOT

to his more robust colleague, Père Lacombe, at Calgary. This most picturesque of missionaries was not only one of Crowfoot's warmest friends but an idol of the warring tribes, having always traversed the plains with immunity. Lacombe rode posthaste to Crowfoot's village and, learning from the chief that the matter was indeed serious, obtained a large supply of tea and tobacco from the trading post and prevailed upon Crowfoot to call a council. Assuming the authority of an envoy of the government, he explained the white men's need of a small portion of the reserve for the iron road and undertook that the government would generously compensate the tribe by a grant of other lands. Mollified by the deferential courtesy and persuaded by the arguments and promises of this old prince of Indian diplomats, the Blackfeet solemnly agreed in council, amid much ceremonial smoking, that the government might build its road undisturbed. The flames were extinguished so quickly and effectively that few realized how great the danger had been.

Van Horne, however, was instantly appreciative of the service Chief Crowfoot had rendered the company, and himself designed and presented to him a perennial pass over the Canadian Pacific Railway. This token of courtesy and gratitude so appealed to the aged chief that he had the pass framed and wore it during the remainder of his lifetime suspended by a chain on his breast.

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One day the tracklayers' lively pursuit of the graders and surfacing-gangs who had preceded them rested on the Bow River, and the jubilant whistling and bell-ringing of a construction-engine echoed among the foothills of the Rockies. It announced to the thrilled inhabitants of Calgary's tents and shacks that the railway had come.

Heavy and trying work was accomplished during the season of 1883 by the surveying and locating parties of engineers who followed Major Rogers' proposed route over the Rockies and the Selkirks. The summer season in the mountains is short, and so great were the difficulties of the trackless heights and valleys to be crossed that in September of that year Sandford Fleming, who was essaying a trip over the Selkirks to Kamloops, found engineers at Calgary who doubted if he could possibly get through. Fleming, who was highly experienced as an explorer, had never before found anything so dangerous and difficult. In his narrative of this journey over the two mountain ranges, contained in his "Old to New Westminster," he paid a remarkable tribute to the engineers of this section and to every man who followed their scouting parties. The trail led down gorges and along narrow ledges of rock on which even the pack-ponies occasionally lost footing and rolled down into the abysses below, across torrential streams and rapids, and through rough forest areas devastated by fire. His painful pro-

## THE G. T. R. COMPANY HOSTILE

gress along what he calls the "*mauvais pas*" of Kicking Horse he described as the greatest trial he had ever experienced; and this path of danger, unlike famed Chamounix's few hundred yards, was six miles in length. Nevertheless, the road continued to climb toward the summit of the Rockies. It went slowly, for the graders now met only solid rock and hardpan, instead of virgin prairie; but before the year had ended the summit had been reached.

Whether at headquarters or traveling in his car to the various bases of construction Van Horne was ever spinning a web of ideas that extended from the Rockies to Montreal and from Montreal to the Atlantic. A skeleton of a great system was beginning to emerge from the dust of construction, and he must clothe it with the living tissues of traffic. Traffic was a thing that would not wait on completion, for the credit of the road had to be built up. Having effected an organization adequate to grapple with the problems of construction, he had now to call upon all his ingenuity and unquenchable optimism to fortify the road in the eastern and settled portions of Canada so as to provide the system with the traffic that would enable it to live.

In this work he had to contend with the active hostility of the Grand Trunk Railway Company, owned in London and controlled from there. That company's system, extending from Montreal

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through the province of Ontario and forming connections across the American boundary with affiliated railways, was then the largest in Canada, and its management regarded the new trans-continental railway with jealousy not unminged with fear. They were determined to do all within their power to restrict the activities of the new-comer to the territory west of Ottawa and to prevent it from competing in the east with their own system. With this object in view the Grand Trunk's directorate sought to obtain from the Canadian Pacific the control the latter had acquired early in 1883 of the Ontario and Quebec Railway. The Canadian Pacific was proceeding to consolidate and link up this road with the Credit Valley and the Atlantic and Northwest, a short line running out of Montreal, so that, when completed, it would furnish a direct line from Montreal to Toronto and St. Thomas. Stephen being in London in April in the interests of his company, a tentative agreement was reached between the presidents of the two roads.

Van Horne, however, saw speedy collapse ahead if his road had to depend upon local traffic through the great empty spaces of the west, and the tentative agreement was immediately frustrated. Instead of yielding what the company held, further opportunities must be sought for developing traffic in the paying east. It was his maxim, coined from the ore of experience, that a new railway

## PLANNING BRANCH LINES

must keep on growing; otherwise it dies or is eaten up by one that is growing. Purchases of existing roads in the eastern territory and their extension were as necessary a part of the enterprise as were a great number of local feeders in the west. Without them the main line would be a vast body without arms or legs, a helpless and hopeless thing which could not live without constant governmental aid.

It was known from the beginning that the Grand Trunk, with its lines to Chicago, would not consent to the diversion of a pound of freight or a passenger from any of its territory east of the Great Lakes. Without these eastern acquisitions and extensions, therefore, the main line of the Canadian Pacific would be of little value to the Dominion of Canada, and every dollar of private capital put into it would be absolutely lost. The company could not wait a minute. On the entire main line there was no traffic whatever except for a few miles about Winnipeg, and, therefore, the most important of the connecting and developing lines had to be made ready by the completion of the main line to avoid absolute starvation.

In addition to the acquisition and development of existing railways in the east and the planning of branch lines in the west, Van Horne set about creating traffic that would grow up with the railway. Grain elevators were built at Winnipeg and Head-of-the-Lake; flour mills, destined to become

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among the greatest in the world, were started at Lake-of-the-Woods; timber lands were purchased in Ontario for the manufacture of lumber. He began to plan the string of hotels which were one day to attract countless thousands of tourists. Neglecting no detail that would tend to ameliorate pioneering conditions on the prairies, he originated a department store system on cars, which were left on side-tracks at the various points for two or three days at a time, so that women in the new districts might do their shopping. He encouraged physicians to settle in the new communities that were springing up, and helped to establish a hospital at Medicine Hat.

Van Horne borrowed the idea of the government's experimental farm at Ottawa and, with Stephen, planned to establish experimental farms along the railway west of Moose Jaw. Opponents of the road were decrying this region as a sandy desert unfit for cultivation, and this impression had to be corrected. In October a special train left Winnipeg laden with men, teams, and farm-machinery, and equipped with boarding-cars. Ten farms were located and the ground at once broken by the plough. When spring came all would be ready for the first season's operations, and the farm buildings would be quickly erected.

The season of 1883 saw the road's mileage in actual operation increase from 748 to 1,552 miles. Connection had been established between the

## THE COMPANY'S COFFERS EMPTY

eastern and western sections by the purchase of three Clyde-built steamers to ply on the Great Lakes. The gross earnings exceeded five million dollars, and the operation of the lines had been so astonishingly skilful that there was a handsome balance over running expenses.

But the company's coffers were empty.

Warned by the fate of many American railways which, like the St. Paul and Pacific, had been plunged into bankruptcy through excessive borrowing on the security of bond issues, the directors of the Canadian Pacific from the beginning had adopted the policy of financing the road by sale of its common stock. They proposed, by keeping its fixed charges at a minimum, to avert all risk of losing control to bondholders and of the inevitable sequel, a receivership. But common stock was by no means so easily realizable in the money-markets as bonds, and their efforts to finance the road by this means were constantly baffled by the manœuvres of competing roads. Van Horne had been convinced that the line would collapse if it surrendered its eastern feeders to the Grand Trunk. That company was determined to force its collapse just because it had not surrendered, and so influenced the London market that its rival's securities went begging. Hostility to the new enterprise, fostered, it was believed, by Hill and the Pacific railways in the United States, closed the New York market. A

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bad harvest in Manitoba and the breakdown of a frenzied speculation in land, which had followed in the wake of the railway, weakened the faith of the company's supporters in England and elsewhere. Opponents found abundant ammunition for their attacks upon the company's credit in the utterances of the Liberals, who had declared in parliament that the road for many years would not be able to pay its running expenses; that for six months in the year it would be idle on an ice-bound, snow-covered route; and that, in the words of Edward Blake, the mountain section would not pay for the grease on the axles.

The company, moreover, found itself severely handicapped by a course which it had itself taken. In an endeavour to secure purchasers for a contemplated issue of common stock, Stephen, advised by English and French financiers, had persuaded the government in November, 1883, to enter into an arrangement to guarantee the payment of dividends amounting to three per cent. on the stock for a period of ten years. The company deposited with the government a sum of over \$8,700,000 as the first instalment of some \$16,000,000 which would be required to make good the guaranty. Under the arrangement the balance, amounting to \$35,000,000, of the company's authorized capital stock was deposited with the government, subject to withdrawal as and when it might be sold by the company.

## THE C. P. R. ASSAILED

In view of the government's guaranty, the stock, which had fallen in price to \$40, bounded upwards. It rose quickly to \$65, when all hope placed in the scheme was completely dashed by the bankruptcy of the Northern Pacific. All the stock markets of the world became profoundly depressed, and the stocks and securities of American and Canadian railways were hastily thrown overboard. The confidence that had marked the outlay of capital in American railways during the preceding three years was completely upset. The credit of the Canadian Pacific, its means and resources, and the capabilities of the Northwest Territories as an advantageous field for emigration and colonization were systematically decried and assailed by the most calumnious and unfounded statements. By such means, and by urging the possibility of the whole remaining \$35,000,000 stock of the company being at any moment placed upon the market, any rise in the market value of the stock was effectually prevented. The dividend guaranty not only failed of its purpose, but the locking-up of so large an amount as \$8,700,000 threatened a complete check to the company's operations.

Construction, however, had to proceed. Even a temporary delay would cause total disaster. The company's authorized capital stock was \$100,000,000, but less than \$31,000,000 had been realized upon the sale of \$55,000,000 of stock. The sale of

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land-grant bonds and land sales had provided about \$10,000,000 more; the earned cash subsidy exceeded \$12,000,000. The receipts, in all, had been less than \$53,000,000, while the expenditures amounted to nearly \$59,000,000. A temporary loan had been effected on a pledge of \$10,000,000 in stock. The company was heavily in debt, and its directors saw no possibility of securing aid, except from the Canadian government. Stephen urged that the government was bound to furnish it, the road being national in scope and effect.

Sir John Macdonald, aware of the storm of criticism such a loan would evoke not only from the Opposition but from many of his own followers, cabled to Sir Charles Tupper who, retaining the portfolio of minister of railways, was acting as High Commissioner for Canada in London. Tupper, who had been a most ardent protagonist of the railway, promptly sailed for Canada, and on his arrival ordered an investigation by government officials of the company's financing. The investigators reported their entire satisfaction with the company's accounts and integrity; and Van Horne was summoned to a meeting of the cabinet to explain the company's progress and needs.

Rumours of the negotiations quickly stirred the enemies of the road to action. The Grand Trunk made a final effort to have the Canadian

## ANTAGONISM OF GRAND TRUNK

Pacific relinquish its eastern feeders, or be denied government aid. While Sir John Macdonald was being bombarded with letters of protest from Joseph Hickson, the general manager in Canada of the Grand Trunk, the Canadian Pacific was informed by cable from London that the press and financial circles in that city were being organized against it on the ground of its demands upon the government "to enable it to go out of its legitimate sphere to compete with and injure the Grand Trunk Railway Company." This had particular reference to the acquisition and extension by the Canadian Pacific of the Ontario and Quebec system, and ignored the fact that while the Ontario extension had cost the company little more than \$3,000,000, the company was seeking a loan of not less than \$22,500,000. The cable concluded with an offer to negotiate for the joint working of the lines.

The conduct of the negotiations with the government was in Stephen's able hands, but the attacks of a rival road brought Van Horne to the front. In a characteristic letter to Sir John Macdonald he stated that the Ontario and Quebec system had been "leased and finally bound to the Canadian Pacific for a term of 999 years, and we will be unable to treat for its sale until the end of that time."

Carrying the war into the enemy's camp, he boldly proposed the purchase from the Grand

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Trunk of that company's line between Montreal and Quebec, and intimated that a connection would be made between the Ontario and Quebec system and the main line of the Canadian Pacific which would make the latter quite independent of the Grand Trunk in Ontario. He declared further:

The necessity to the Canadian Pacific of perfect independence is manifest when the fact is considered that the Grand Trunk Company have a line of their own to Chicago, and that not one of their passengers or one pound of their freight from any point, going to the northwest, can be delivered to the Canadian Pacific at Callander or other points east of the Great Lakes without direct loss to the earnings of the Grand Trunk.

When the Ontario and Quebec system is completed, it will be superior to the Grand Trunk in distance, in grades, in equipment, and in every other particular, and its cost will be less than one fifth of that of the corresponding section of the Grand Trunk. It will pass through a well-developed country, and will have from its opening a large local business, and will be so situated as to command its full share of through traffic.

I have no hesitation, therefore, in asserting, that the lines by means of which the Canadian Pacific will secure independence will not cost them one dollar, but on the contrary will largely add to their profits.

The application for the loan was the signal for an explosion from the Liberal party, and the time of parliament was taken up by long and acrimonious debates. Even within his own ranks the premier met obstruction, but his inimitable

## A GOVERNMENT LOAN

leadership and the storming tactics of Sir Charles Tupper forced its adoption by the party caucus. Some of his colleagues, however, bargained for a *quid pro quo* for the eastern provinces if they were to commit the country to this immense loan for building up western Canada. Sir John reluctantly had to meet their demands, and the policy of granting subsidies to local railways, entered upon in 1882, received a harmful stimulus, eventually becoming at once the weapon and the bribe of political opportunism, to the detriment of Canadian political ideals.

In the face of vehement opposition, but helped by the telling effect of a declaration that if the loan was made the company would have the completed line ready for operation in the spring of 1886, Sir John succeeded in passing a bill through parliament authorizing the government to lend the company the sum of \$22,500,000 upon the security of a first charge—subject to some existing mortgages and liens—upon the whole of the company's property. Under the ensuing contract with the government, made in March, 1884, the company undertook to complete the line by May 31st, 1886, instead of May 1st, 1891. The sum of \$7,500,000 was to be advanced at once to extinguish the company's floating debt, and the balance was to be paid in instalments proportionate to the progress of the work. The payment of a sum due to the government under the agree-

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ment for the guaranty of dividends was postponed for a period of five years.

With this relief, Stephen, Van Horne, and their colleagues could survey their enterprise in a new spirit of optimism, which was reflected in their annual report by a forecast that the entire main line could be completed by the end of 1885. The shareholders, at the annual meeting held in May, 1884, learned that Van Horne had been appointed vice-president of the company, while Duncan McIntyre, apprehensive of further financial difficulties, had retired from the directorate. Donald Smith, however, who, owing to political differences with Sir John Macdonald, had hitherto kept in the background, now joined the board and took his rightful place as one of the executive committee.

## CHAPTER X

### ACROSS THE ROCKIES

**D**URING the season of 1884 Van Horne, who took a far rosier view of the financial situation than his colleagues, Stephen, Smith, and Angus, threw himself with unabated vigor into the work of pushing construction. The government having handed over, to be finished by the company, the three hundred mile section from Rat Portage to Thunder Bay, the line was complete between Port Arthur and the Rockies. The other government section from Port Moody, the Pacific terminus, to Kamloops, had progressed about a hundred and fifty miles eastward to Lytton. There remained the enormously difficult and costly sections through the mountains and north of Lake Superior.

To expedite completion of the former Van Horne now decided to work from both ends, and commenced construction from Kamloops eastward. Work had begun on the Lake Superior section in the spring of 1883, and some three hundred miles of track had been built, but by far the heavier part of the section remained to be covered. In the meantime, however, on a revision of surveys, a new and improved location had been

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found, which, it was thought, would greatly reduce the cost.

In July Van Horne accompanied Collingwood Schreiber, the government's chief engineer, on a walking tour of inspection of the unfinished road north of Lake Superior. He amazed Schreiber by his energetic mode of traveling and his powers of endurance. His figure was becoming corpulent, and a long walk was an infrequent form of exercise. One day they set out to inspect a stretch of eighty-two miles between Nipigon and Jack Fish. Fire had recently swept through the country and in places was still smoldering. The weather was excessively hot and the location through the blackened forest extremely difficult to traverse. Yet when they reached an engineer's camp at night, both of them limp and sore, the irrepressible Boy was still alive in the general manager. He suddenly leaped from his seat and challenged Schreiber to a foot-race. The latter declined, to the secret joy of his exhausted companion.

Such a trip was bound to be marked by adventures. They started one afternoon on the return journey westward in a steam launch from Jack Fish Bay for Red Rock, intending to inspect a stone-quarry on the way and connect with the Port Arthur train. The boiler of the launch soon began to leak badly, but Van Horne's time was always mortgaged in advance and he would not hear of putting in to shore. He and Schreiber,

## OVERCOMING "IMPOSSIBILITIES"

with the engineer, spent the night paddling the launch through the heavy waters of Lake Superior. It was dawn when they reached the quarry. Here another misfortune befell them. The engineer met with an accident and was obliged to remain behind. There was nothing for Van Horne and Schreiber to do but to paddle the launch the rest of the way to Red Rock alone.

They found over nine thousand men at work on the section, boring their way through the hardest and toughest rock in the world; matching man's ingenuity against the obstacles of "200 miles of engineering impossibilities." The cost was appalling. For one mile on the east shore of the lake the rock excavation alone cost nearly \$700,000, and several other miles cost half a million. Over the innumerable muskegs and hollows which alternated with long stretches of rock, Van Horne, in order to save time and money, decided to make extensive use of trestle-work. The cost of carrying the line high on timber trestles was only a tenth of the cost of cutting through hills and making solid embankments through depressions; and the trestles could be filled up later by train-haul.

In August he went out to inspect the mountain section. To reach the Pacific he had to travel west by an American road. The first problem to engage him upon his arrival at the coast was to decide upon the site of a new Pacific terminus. Port

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Moody, an early choice of government engineers, which was named as the Pacific terminus in the company's charter, he found to be unsuitable and inadequate in harbour facilities for the ocean traffic which he foresaw. After a careful survey of the ground he decided upon a more advantageous location at the entrance to Burrard Inlet. Here, during the following year, after the British Columbia government, in consideration of the extension of the line from Port Moody, had granted the company an area of nine square miles, a city was laid out, to which Van Horne gave the name of Vancouver in honour of the English navigator who had explored the adjacent waters.

Returning east, he traveled by train to the rail-head of the completed portion of the railway being built by the government, from Lytton to Savona's Ferry by stage, and along the Cariboo trail built during the rush of gold-seekers to the Fraser. At Savona's Ferry he was joined by an old friend and consulting engineer, Samuel Reed of Joliet, and the two traveled by boat to Sicomous, and thence by freight-teams which crossed the mountain lakes on scows. From Revelstoke the remainder of the journey to the summit of the Rockies was by pony-train, an arduous method of locomotion for a man of his build. The almost unbroken trail was that which Sandford Fleming had already traversed and described, made more difficult by an early fall of three feet

## NO SENSE OF PERSONAL FEAR

of snow. No one who went over it ever anticipated taking the journey again. Nothing was ever done to improve it. It was littered with cast-off blankets, saddles, and other *impedimenta*, and numerous carcasses of pack-ponies bore witness to the hazards. When the snow lay on the ground, a step on what appeared to be solid earth was rewarded by immersion to the waist in mud and slush. To add to the trials of the journey, the party missed one of the depots in the mountains, their rations ran out, and they had to continue for two days without food. Van Horne's fastidious stomach rebelled against a bannock made of flour which had leaked into the cook's saddle-bag, where it had lain with a curry-brush and other ill-assorted articles.

The men along the right-of-way were quick to discover that the "boss" had no sense of personal fear. He would take any curve on a railway at any speed an engineer would drive. Despite his bulk, he would not be turned back by the perils of any vantage point that called him and would go where few but trained and accustomed workmen dared to follow. While the accompanying engineer dared only trust to hands and knees, Van Horne walked imperturbably on two loose planks over the Mountain Creek trestle, whence a few days previously several men had crashed to death in the swirling torrent of the ravine a hundred and sixty feet below, and as imperturbably

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returned. He was equally devoid of apprehension concerning his dignity or appearance. His driver missed the ford at Seven Parsons Coulee, and the two were thrown into the stream. While his clothing dried, Van Horne spent the rest of the day in a construction camp, where, absorbed in the problems of the moment, he was oblivious to the inadequacy of his temporary garments, though these afforded much amusement to every man in camp. The commissariat had not provided for men of his girth, and could only furnish him with a flannel shirt and a pair of trousers, split up the back and laced with a clothes line.

Coming from the Rockies to the plains he found Calgary, Medicine Hat, and Regina rising out of mere collections of shacks and tents into bustling towns, and feverishly trading in town lots. Here and there along the line men were harvesting a crop which fully justified his earlier hopes. The new west was definitely taking shape. Winnipeg already supported a population of over twenty-five thousand, of whom six thousand were dependents of the Canadian Pacific. There he met a hundred members of the British Association of Science who, having held their annual meeting in Montreal, had been invited by him to see the west for themselves. Seeing is believing, and he confidently expected that upon their return to Europe they would furnish an extensive and intelligent leaven to the prevailing European

## THE MOUNTAIN SECTION

notion of Canada as a land of snow and wild Indians.

The whole trip from the Pacific to Montreal filled him with satisfaction. The British Columbia coals were the most valuable on the Pacific coast. The richness of the fisheries was almost beyond belief. The valleys of the Selkirks and the Gold Range were covered with magnificent forests of Douglas fir, spruce, and other *conifera*. He had finally settled with Reed the permanent location of the line through the mountain section, and whatever doubts he had entertained of the value of that region had been dissipated. A careful study of the prairie section had convinced him that the company had made no mistake in adopting the more direct and southerly route, instead of that by way of the Yellowhead Pass. He reported to the directors that the Canadian Pacific had more good agricultural land, more coal, and more timber between Winnipeg and the coast than all the other Pacific railways combined, and that every part of the line, from Montreal to the Pacific, would pay.

While he could rightly feel content with the progress of construction and the road's prospects, the company was rapidly approaching another financial crisis. In March the directors had hoped that the government loan of \$22,500,000 would provide all the money necessary to complete the road. Before the close of the year the company

## SIR WILLIAM VAN HORNE

was heavily in debt, and it was apparent that further assistance would have to be obtained. A large saving had been effected on the cost of the mountain section, but it had been absorbed in extra expenditure on the Lake Superior section. Under the terms of the contract with the government the loan and subsidy money could only be drawn from the government for the bare cost of construction and a stipulated amount of rolling-stock. But other things had been found indispensable—terminal facilities, workshops and machinery, elevators, and the usual improvements required upon all new railways. The lien given by the company to the government as security for the loan covered the whole of its property and stripped it of every resource it possessed for meeting these needs, except its unsold stock. That resource had been rendered unavailable, owing to some extent to the remedies provided by parliament in case of default by the company in performing the conditions on which the loan was granted, but in greater measure to the unfair and malevolent attacks of the company's enemies, acting in concert with political opponents of the government and aided by a venal section of the press.

Confronted with more than twenty-six hundred miles of completed railway, the Grand Trunk's adherents could no longer protest that the Canadian Pacific was merely a scheme "to take off

## UNFAILING OPTIMISM

the hands of the astute Canadian and American syndicate the bonds of a number of non-dividend paying lines" or "to foist their worthless securities on too confiding capitalists." They and other enemies of the company had changed their tactics and during the whole of 1884 sought in the most unprincipled and unpatriotic manner and by every method of vilification and depreciation to wreck the enterprise.

By these means investors were alarmed and the stock made practically unsalable. It was selling at about \$60 a share when the loan was made, and it was expected to advance to \$75 or \$80. It had, however, fallen below \$40.

Notwithstanding the emptiness of the company's treasury, the directors, believing that the company's ultimate financial salvation lay in a speedy opening of traffic over Canada, ordered thousands of men to be kept at work all through the winter. Material and food-supplies would go forward to the men, and they and the contractors could wait for their money. Their very isolation would keep them on the work until spring, when money must be forthcoming. This bold course was greatly facilitated by the reputation Van Horne had acquired on every part of the line as being, in some sort, a superman. He inspired the business men of the country with his unfailing optimism, and the big wholesale houses of Toronto and Montreal gave the road credit and

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more credit, and still more credit, to the amount of millions. Supplies poured into the construction sections, where Canadian Pacific cheques passed as currency. Only a few men knew that the last links of the Superior section were being built on faith and credit, and not on money. A small merchant in a lumbering centre who had supplied thirty-five thousand dollars' worth of meat on credit, being asked if he were not afraid, replied: "I am not. Van Horne will carry this thing through. If he can't, no one can. Then I'll start all over again."

With a floating debt rapidly approaching seven million dollars and under an imperative necessity of spending several additional millions for equipment, Stephen was kept as busy refuting slanders and repelling assaults on the company's credit as his vice-president, in the field, was busy devising methods of hastening construction and providing future traffic. The brunt of the attacks fell upon these two men, who had most reason to be satisfied with what had been accomplished. They had falsified all charges against the syndicate of insincerity in offering to build the more difficult and costly sections with such small subsidies. On the other hand, they had refuted the political attacks based on the grounds that the subsidies of cash and lands were "wantonly extravagant" and that the whole scheme was one of personal enrichment. They had harnessed nature and accomplished the

## A FINANCIAL CRISIS

impossible. Yet with the end in sight, the company's existence had never been so threatened.

For Stephen and for Donald Smith much more than the fate of the Canadian Pacific was trembling in the balance. Merchants might give credit, sums due to contractors be held up, and wages be deferred, but payments, and large payments, had to be made to save the credit of the company. These two determined Scotchmen, who had committed themselves heart and soul to the undertaking, stood nobly in the breach. On more than one occasion they had come to the rescue of the company with loans obtained upon their personal credit; now, for the same purpose, with a courage that will always do them honour, they had borrowed heavily upon the pledge of the securities they owned.

"It may be," said Smith at a gloomy meeting of the directors, "that we must succumb, but that must not be," raising his voice and gazing around the company, "as long as we individually have a dollar."

Before the issue was settled these indomitable and persistent men had pledged nearly all they possessed in the world to sustain the enterprise.

In January, 1885, Sir John Macdonald arrived in Montreal on his return from a visit to England. His seventieth birthday was at hand, and the "Old Chieftain" was made the object of a popular demonstration. He was given a public ban-

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quet, where, amid many glowing eulogies of the newest and greatest factor in Canadian development, he stated that in the whole annals of railway construction there had been nothing equal to the achievement of the Canadian Pacific.

The directors heard these fervent praises with gratification, but they were soon to learn the practical value of oratory at political celebrations. Stephen's request for assistance met with a firm refusal from the premier. When the last loan had been made a year earlier it had been understood that the company would require no further help; yet here they were again, knocking at Sir John's door and demanding other millions, while rumour was actively representing the directors as millionaires fattening on government subsidies. Their application gave apparent confirmation to the Opposition's taunts that the Canadian Pacific meant to keep its hands in the government's pocket to pilfer the people's money. Many of Sir John's followers were convinced that Canada had done enough for the development of the western wilderness.

Stephen's mission to the Dominion capital soon leaked out. The press began to hint alarming stories; the company would not meet its April dividend; its stock was being attacked in the London market; it was making purchases with notes at four months, instead of paying cash. The directors denied the dividend story; it was useless to

## C. P. R. STOCK DEPRESSED

deny the others. Shortly afterwards the price of the stock fell below \$34, and labourers were finding their way back to Montreal from Sudbury with complaints of wages unpaid.

Van Horne was especially singled out, in press and pamphlet, for abuse. He was reproached with having no Montreal antecedents. "A Mr. Hill of St. Paul" was responsible for introducing him to the syndicate, and Mr. Hill was sharply censured for bringing in with him men from the western states, "individuals who work after his school." "No one but Mr. Van Horne is responsible for the Canadian Pacific line as it is located and constructed. If there be merit in the extraordinary rate at which the track was pushed along the level prairie, it is his. If there be blame in the choice of route, in the multitude of curves, in the heavy grades of the Kicking Horse Pass, in the prospect of the railway being periodically crushed and rendered inoperative by the descent of immense masses of snow and ice, the fault is his. Mr. Van Horne had the whole unchallenged direction of the resources of the company."

The absence in England of the country's political champion, Sir Charles Tupper, heightened the grave anxiety under which Stephen had laboured since Sir John Macdonald had so coldly received his request for assistance. Sir John, who had political cares more immediate and pressing, was not anxious to discuss the unhappy state of the Can-

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adian Pacific and resorted to all the tricks in the repertoire of the most astute politician in Canadian history to elude Stephen. Moreover, the Canadian Pacific leaders were not particularly his friends. He cherished a deep-seated grudge against Donald Smith, who was cordially disliked by many Conservatives and regarded as Sir John's personal enemy. Stephen and Angus had his esteem, rather than his friendship, and perhaps he had not outgrown his early prejudice against the imported railway genius of whom he had spoken as "Van Horne, the sharp Yankee" and who was distinctly *persona non grata* to his most trusted adviser, John Henry Pope. However this may be, there can be no question that Sir John's position was one of great difficulty. He had to face a strong Opposition and propitiate a watchful press. His followers, even his cabinet, were divided. And he feared the fall of his government if he took to parliament a proposal which seemed to justify the prophecies of his adversaries.

In March Stephen summed up the position and the needs of the company in a formal letter to the premier. He urged that the unsold stock be cancelled and the company be allowed to issue in lieu thereof first mortgage bonds to the same amount, namely \$35,000,000, as and when they could be disposed of. He asked, in addition, for a further loan of \$5,000,000, and suggested a plan for securing the government loan of the previous year.

## A MAN OF UNIQUE VISION

The negotiations with the government were almost entirely conducted by Stephen and the company's general counsel, John J. C. Abbott, but Van Horne, whose duties kept him much on the road, was frequently required in Ottawa to fortify Stephen with facts concerning the progress of construction and current expenditure, as well as estimates of future requirements. On these occasions he endeavoured to assist the negotiators by soliciting the support of the leading politicians and business men who congregated at the Rideau Club and elsewhere. Some he met were men to whom the company owed money, and he used all his powers to strengthen their faith in the enterprise, picturing its splendid future in graphic words and with unique vision. To Collingwood Schreiber and Sir John's colleagues in the cabinet he painted equally vivid pictures of the panic which would ensue if the government refused its aid. More than \$92,000,000 had already been expended on the system, of which \$55,000,000 was government money. Such an enterprise, he urged, could not be permitted by sane men to fail for lack of a few millions more. Banks, not alone the Bank of Montreal, but those supporting the contractors and merchants as well, the wholesale houses, the whole country, were imperilled, and the crash that might come would injure Canada for many years in the money-markets of the world.

Public concern for the company's position was

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daily increasing. Street gossip dwelt on the fact that its stock did not recover on the market. McIntyre's retirement from the board of directors, even Hill's withdrawal, assumed special significance. The company was *in extremis*. And it nearly was, for a strike was threatening at Beavermouth because no pay was forthcoming. Men on the north of Lake Superior, wearying of the wilderness and bent on getting away from it, were threatening to lynch a contractor because he could not—they believed would not—pay them. Yet, knowing these things and many more and worse, Van Horne's faith and confidence shone undimmed, and he would betray no weakness of the company to the public.

One morning a creditor sought him, asked for the money due him, and expressed grave fears of the outcome. Came the instant and emphatic reply:

“Go, sell your boots, and buy C. P. R. stock.”

## CHAPTER XI

### THE LAST SPIKE IN THE C. P. R.

THE position of the company was, therefore, desperate when one day at Ottawa Van Horne was depicting to Schreiber the ruinous consequences if Sir John Macdonald persisted in his refusal to help. Schreiber surprised him by saying that Sir John and some of his colleagues realized the extreme gravity of the situation, but their opinion was not shared by their followers, and at the moment the House was more concerned over the Redistribution Bill and a threatened rebellion of the Métis Indians in the Northwest.

Van Horne jumped at the idea that if the Canadian Pacific could put troops in the west to take the Métis by surprise and crush the rebellion, the government could not possibly refuse the desired financial aid. He left Schreiber, happy in the belief that the idea would solve all their difficulties, and at once made an offer to the government to transport troops from Ottawa to Fort Qu'Appelle in eleven or twelve days, if forty-eight hours' notice were given him. Inasmuch as there were a hundred miles of uncompleted gaps in the line north of Lake Superior, the minister receiving the

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offer was incredulous, but on Van Horne's assurance of his ability to carry it out, the offer was accepted. The only alternative was to wait until navigation opened up on the Lakes, and in the meantime the rebellion would make serious headway.

When the telegraph flashed to Ottawa the first news of open revolt, the government called upon Van Horne to carry out his plan as speedily as possible. He was traveling to Toronto in his car when the message came, and he kept the wires busy with instructions to the company's officials all along the line and with messages to the premier, the minister of militia, and others. His experience in handling troop-trains at Joliet during the Civil War was now proving valuable to him. In making his offer to transport troops he had stipulated that, in order to avoid interference of any kind by the militia department and the confusion arising from a division of authority, both the transportation and commissariat of the troops should be under the complete and exclusive control of his company. Within forty-eight hours of the notice from the government, trains were waiting at Ottawa for the two batteries ready for the front; and so thoroughly had he laid his plans and so efficiently were they carried out that these men disembarked at Winnipeg four days later. The impossible had again been accomplished.

The route of the batteries and that of thou-

## THE SECOND RIEL REBELLION

sands of infantry who followed was by train to the head of steel on Lake Superior; thence for miles through the frosty wilderness packed into open freighting-sleighs; again by rail to the next gap in flat-cars on which the men sat or lay exposed to biting winds and frost. There were two quick marches over the ice, and at Red Rock they found trains waiting to take them into Winnipeg, Calgary, or Fort Qu'Appelle. The men from eastern shops and offices experienced all the hardships of the winter trail as they marched or rode through the biting cold of the north shore. Their footwear was soaked during the sunny day in the slush on the ice and frozen stiff on their feet at night in the open construction cars; but twice a day warm and plentiful meals, with Van Horne's inevitable strong hot coffee, were served to them from the construction camps; and the journey ended without serious suffering to any.

The prompt arrival of the troops resulted in the second Riel rebellion being quelled before it could set the whole west ablaze, and demonstrated, as nothing else could have done, the value of the Canadian Pacific as a means of binding the Canadian provinces. The Canadian public was so interested in the rebellion that at first it gave little heed to this triumph of expeditious transport, though the German General Staff was instantly so impressed by its speed and efficiency that it instructed the German consul to furnish a

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detailed report. Later, however, when the public had time to reflect, it sensed the importance of the achievement. Criticism of the Lake Superior section was stilled and its value as a Canadian and Imperial asset was forever established. The government, too, could palliate its carelessness in allowing the insurrection to rear its head by dwelling on the proved wisdom of its policy of insisting on an all-Canadian railway.

During the negotiations for troop transportation one of Sir John's ministers had told Van Horne that if his road could carry it out successfully, "it would put a new face on the question of the loan." Van Horne had delightedly repeated this; and now, elated by success, he felt fully assured that the government would recognize the service as evidence of the railway's national importance and promptly come to its aid. The directors, however, were doomed to further disappointment.

Sir John could not yet see his way to acknowledge that it was practicable for him to agree to a new loan. While the company's friends were growing embittered with him for his delay, there was strong opposition among some of his colleagues and A. W. McLelan, his minister of marine and fisheries, was threatening to resign if the loan was conceded. Stephen was nearly all the time at Ottawa, ever urging his case upon the government. Harassed by the fact of the

## CATASTROPHE FEARED

early maturity of the company's notes and of the bank's refusal to make further advances, he made what he hoped would be a final appeal to the premier:

It is as clear as noonday, Sir John, that unless you yourself say what is to be done, nothing but disaster will result. The question is too big for some of our friends, and nothing but your own authority and influence can carry anything that will accomplish the object. . . . I endeavoured to impress upon him [the minister of finance] again that the object of the present application to the government is to save the life of the company. . . . I stayed over here to-day in case I might be wanted. It is impossible for me to carry on this struggle for life, in which I have now been for four months constantly engaged, any longer. . . . If the company is allowed once to go to the wall the remedial measures proposed will be useless, because too late.

The appeal brought no response. A few days later Van Horne, who by telegraph and personal visits was keeping in constant touch with the situation in Ottawa, telegraphed Stephen:

"Have no means paying wages; pay car can't be sent out and unless we get relief we must stop. Please inform premier and finance minister. Do not be surprised or blame me if immediate and most serious catastrophe happens."

Still the prime minister vouchsafed no reply.

Late one night in the lobby of the Russell House, two of Sir John's colleagues in the cabinet, Mackenzie Bowell and Frank Smith, sat discussing the subject of the loan with George H. Camp-

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bell, another of his parliamentary supporters. Campbell was one of many friends of the company who had exerted all his influence in behalf of its application. Every effort had been made, and everyone who could assist in any way had been called in to help. He understood Sir John's obduracy to be due not to his dislike of Donald Smith but to the fear that the government could not carry a bill through the House. In the middle of the discussion they saw Stephen come down in the elevator and go to the desk to pay his bill. Realizing that he was returning to Montreal, Frank Smith said: "He must be leaving. I must go and see him." He joined Stephen, and then beckoned to his companions, who went hurriedly over and heard Stephen say: "No, I am leaving at once. There is no use. I have just come from 'Earnscliffe,' and Sir John has given a final refusal. Nothing more can be done. What will happen to-morrow I do not know. The position is hopeless."

After much persuasion Smith induced Stephen to remain in Ottawa, promising that he and Mackenzie Bowell would make another effort to secure Sir John's consent. They drove to "Earnscliffe" for a midnight interview with the premier; Stephen, exhausted by mental strain and deferred hope, retiring to his room. They returned two hours later, having failed in their mission. Stephen was now reduced to a condition of absolute

## CHEERFUL IN ADVERSITY

despair and convinced that the government had deserted the company. He was unusually, almost morbidly, sensitive. The impending bankruptcy of the company and loss of his entire private fortune, together with the humiliating treatment he had received through many weeks of tense anxiety at the hands of Sir John, had at length broken even his resolute spirit. He wept one day in Schreiber's office. He remained, however, in Ottawa upon the urging of Frank Smith, who pledged himself to secure Sir John's consent or resign from the cabinet.

Among the directors of the company, Van Horne almost alone seemed not to know what it was to be beaten. He stood out, a figure of sturdy cheerfulness and buoyant courage. A suggestion being made to him that whatever happened he need not worry over the outcome—there were as good posts waiting for him in the United States—he answered determinedly:

“I'm not going to the States. I'm not going to leave the work I've begun, and I am going to see it through. I'm here to stay. I can't afford to leave until this work is done, no matter what position is open to me in the United States.”

But the apparent futility of his many visits to Ottawa and of his unceasing efforts to impress the supporters and friends of the government to the point of forcing their leader to surrender could not fail to depress him and shake his faith. Failure meant the collapse of the greatest railway

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enterprise in the world, one whose control satisfied his every ambition as a railwayman. Besides the financial ruin of his friends, Stephen and Smith, and of many mercantile houses, it meant his own return to the United States, defeated, beaten; not by nature or through lack of endeavour, but by political exigencies which it had been impossible to estimate or to foresee and over which he had no shred of control. He was up against a stone wall. Sitting gloomily one day in Schreiber's office, he said very slowly and softly: "Say, if the government doesn't give it, *we are finished!*"

The one bright spot in the darkness was the success of the indefatigable and resourceful Shaughnessy who, in Montreal, was accomplishing the Sisyphean task of upholding the company's credit. The company owed millions, and its treasury held but a few borrowed thousands; but he was making every dollar do the work of a thousand. By persuasion and promises of future patronage on the one hand, and on the other by threats that if they now demanded their money, the company would never do another dollar of business with them, he was staving off needy and importunate creditors until the government came to the rescue.

Even as Van Horne was beginning to taste the bitterness of defeat, the pressure of Frank Smith and the forces marshalled to his aid, together

## ANOTHER GOVERNMENT LOAN

with an eleventh-hour realization of the consequences to himself, to his party, and to Canada if he took the other path, forced the premier to yield. Calling a caucus of his followers, Sir John once more swayed them by the spell of his consummate leadership and ensured the passage of a measure of relief. McLelan alone remained obdurate and formally tendered his resignation. Notice of resolutions in aid of the company was given by Sir John in the House on April 30th, 1885.

The resolutions provided for the cancellation of the \$35,000,000 stock in the hands of the government and the issue of \$35,000,000 first mortgage bonds, of which \$15,000,000 would be available to the company for disposal; the government agreeing to accept the balance as security for an equal amount of the company's indebtedness of some \$29,880,000 to the government. The remaining \$9,880,000 was to be secured by a second charge on the unsold lands of the company. The whole \$29,880,000 was to be repaid to the government by May 1st, 1891, and the government was authorized to make a temporary loan of \$5,000,000, repayable within a year and secured by a deposit of \$8,000,000 first mortgage bonds, which could be withdrawn, *pro tanto*, on payment of any part of the loan.

Nothing was to be given for the completion of the contract. The only thing asked in the shape of

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money was the temporary loan of \$5,000,000, and the security was ample. With his followers in line behind him, there could, therefore, be no question of Sir John's ability to overcome the opposition to the measure. But Stephen and his associates were yet to go through many weeks of terrible anxiety. Sir John refused to give the Canadian Pacific bill precedence over a hotly contested Redistribution bill, and its passage through the stages of parliamentary procedure was distressingly slow. With "a lake of money" ahead, there was still not a drop to satisfy the thirsty creditors or tide over other pressing needs. Holders of the company's notes were becoming more and more clamorous, and Shaughnessy was at his wit's end. The company, therefore, asked the government, as an interim measure of assistance and to stave off immediate disaster, to guarantee the Bank of Montreal in making an advance of one million dollars.

On one of the last days in May, Van Horne, with other directors, waited in the anteroom to the Privy Council chamber at Ottawa for the cabinet's decision, experiencing the unpleasant thrills of suppliants in suspense and vainly endeavouring, through the double doors of the chamber, to catch the trend of discussion. Finally, to their great relief, John Henry Pope, ever the company's staunch friend, came out to intimate that the government would guarantee an

## A DESPAIRING APPEAL FOR AID

advance of a million by the bank; and Van Horne raced joyously to the company's office to telegraph the glad news to Shaughnessy. The operator seemed so slow that Van Horne impatiently pushed him aside and ticked off the message himself.

On the strength of the government's guaranty this sum was advanced in instalments by the bank, and was paid out as soon as received. It was little more than the proverbial drop in a bucket. But by this means and by extensions of time extorted from reluctant creditors the company was barely enabled to keep its head above water. And only barely. By the middle of July the Canadian Pacific bill had not yet become law. Overdue obligations were piling up. Construction could not be stopped. Every day was pregnant with disaster.

On July 13th Stephen and J. J. C. Abbott journeyed to Ottawa to get Sir John's answer to a last despairing appeal for immediate action or further aid. The cabinet was in session in the council chamber, and they waited in the ante-room. They sat patiently watching the chamber door through the long hot afternoon, and did not learn until a late hour that, shortly after their arrival, the ministers had departed, unseen and unheard by them, by another door.

"I feel," said Stephen, utterly broken and dejected, "like a ruined man."

"On one fateful day in June," writes Professor

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Skelton, "when the final passage of the bill was being tensely awaited, the Canadian Pacific, which now borrows fifty millions any day before breakfast, was within three hours of bankruptcy for lack of a few hundred thousand dollars." But so skilfully and shrewdly had Shaughnessy handled the company's creditors that no claim had been pressed with a lawsuit and no note of the company had gone to protest.

The bill finally passed on July 20th, and the temporary loan of \$5,000,000 became immediately available. The sequel may as well be told here. Under the terms of the enactment the directors were now in a position to dispose of \$15,000,000 first mortgage bonds. The problem was to find a buyer. It was decided that Stephen should go to London and approach the great banking house of Barings. He was greatly astonished and delighted beyond measure when, early in an interview with the head of the firm, Lord Revelstoke interrupted him and stated that he was prepared to purchase the whole issue at ninety-one and three-quarter per cent. and to make the entire payment within a month.

Van Horne and Angus were together in the board-room when Stephen's cablegram announcing the glad news reached them. They could only give vent to their relief and their joy by capering about like boys and by kicking the furniture.

The Canadian Pacific was yet to pass through

## OUT OF THE DEPTHS

many periods of financial stringency and more than once to touch the bottom of its purse. But never again had its directors to ask the government of Canada to help them with the loan of a single dollar.

By the first of July in the following year, 1886, the company paid off all its debt to the government, \$20,000,000 in cash and the balance in lands at \$1.50 an acre.

During the whole of the period covered by these painful experiences with the Dominion government construction had been going steadily forward. In May there was a continuous line from Callander to Port Arthur. By June the rails were laid to a point near the summit of the Selkirks, forming a continuous connection from Montreal westward for a distance of nearly twenty-five hundred miles. The government section of two hundred and thirteen miles between Port Moody and Savona's Ferry, better known as the Onderdonk section from the name of the contractor who built it, was finished; and the section, which had been operated for some time past by the contractor, would soon be handed over to the company. On the section between Savona's Ferry and the Selkirks, the only remaining gap between Montreal and the Pacific, the work was so advanced as to justify the expectation that the rails would be laid before the end of September. Moreover, negotiations were concluded for the

## SIR WILLIAM VAN HORNE

acquisition of a line owned by the Province of Quebec, running along the north shore of the St. Lawrence between Montreal and Quebec, which would give the company the desired exit for its summer traffic.

The last remaining gap from the Selkirks westward was rapidly closed. On November 7th, 1885, the tracklayers met at a spot in Eagle Pass between Sicamous and the slopes of the Gold Range, and here, in the presence of Van Horne, Sandford Fleming, James Ross, and several of the company's officers, and surrounded by workingmen, Donald Smith, always "in the van," drove the last iron spike of the millions which linked Montreal with the Pacific Ocean, the spike being held in place by Major Rogers.

"The last spike," Van Horne said, "will be just as good an iron one as there is between Montreal and Vancouver, and anyone who wants to see it driven will have to pay full fare."

— But the blows that drove the iron home reverberated throughout the Empire. They drove the final rivet in the bond that unites the nine provinces of Canada and makes one nation of their peoples. They brought Yokohama several hundred miles nearer to Liverpool and London. They enabled the merchants of Montreal and Toronto to stretch out and grasp the products of the valleys of the Fraser and the Columbia and trade directly with the tea-growers and silk-weavers of

## **“STAND FAST! CRAIGELLACHIE!”**

Japan and China. They opened to the farmers of Manitoba and to the colonists on the Pacific coast new and greater markets for their crops, their coals, their forests, their fish, and their ores. They added a great imperial highway to the defences of the Empire.

The station which was erected to mark the spot where this simple ceremony took place was called Craigellachie.

“At the inception of the enterprise,” wrote Van Horne, “one of the members of the syndicate wrote Mr. Stephen, pointing out that they were all now fortunately situated and in going into the Canadian Pacific enterprise they might only be courting trouble for their old age, and urging that they ought to think twice before committing themselves irrevocably. To this Stephen answered in one word, ‘Craigellachie’—which appealed to the patriotism of his associates, and not another doubt was expressed. It was a reference to the familiar lines: ‘Not until Craigellachie shall move from his firm base, etc.’ I heard of this when I first became connected with the company, and was much impressed by it, and determined that if I were still with the company when the last rail should be laid, the spot should be marked by a station to be named ‘Craigellachie’.”

“Stand fast! Craigellachie!” was the heartening slogan which the cable had flashed across the Atlantic from Stephen to his associates when the

## SIR WILLIAM VAN HORNE

company seemed tottering to its fall. And they had stood fast. Stephen and Van Horne had reason to be proud of their accomplishment as they stood there with the workmen almost in the shadow of the towering Selkirks which they had harnessed and broken to their wills. Only forty-six months had elapsed since Van Horne's arrival in Canada, and he had flung "across the vast unpeopled spaces of a continent," a railway which Alexander Mackenzie, the Canadian premier, had declared in 1875 "could not likely be completed in ten years with all the power of men and all the money of the Empire." Ten years had been allowed the company by the government for the completion of the line. Van Horne had built it in less than five, and had smashed all records in railway building.

The completion of the main line and the return journey of the official party who witnessed it afforded Van Horne an opportunity for springing upon them one of the surprises which he loved to plot. One of Smith's several Canadian residences was "Silver Heights," a few miles outside of Winnipeg. He had ceased to occupy it since business cares had compelled him to divide his time between Montreal and London. It was now closed, servantless, and only partly furnished. To celebrate the road's completion, Van Horne conceived the idea of giving Smith a surprise party at his own house. Spare rails and sleepers were

## SILVER HEIGHTS

used to build a spur from Winnipeg to the house, cooks and domestics were hastily engaged, furniture hired, and good things to eat and drink sent up. Within a week all was ready. When the special train entered the spur, Smith was talking and did not notice that the train was backing. At last he happened to look out of the window.

“ ‘Why, we are backing up,’ he said; and then, ‘Now there’s a very neat place. I don’t remember seeing that farm before. And those cattle—why, who is it besides myself, that has Aberdeen cattle like that? I thought I was the only one. This is really very strange.’ Suddenly the house came into view. ‘Why, gentlemen, I must be going crazy. I’ve lived here many years and I never noticed another place so exactly like ‘Silver Heights.’”

“ ‘Silver Heights,’ called the conductor. The car stopped and some of us began to betray our enjoyment of the joke. After another glance outside he began to laugh, too. I never saw him so delighted.”

On the evening of June 28th, 1886, a throng of Montreal’s citizens assembled at the Dalhousie Square station to witness one of the greatest events in the history of the Canadian nation since the confederation of the provinces. The first through train from the city of Maisonneuve to the Pacific was standing there. The guns of the Montreal field battery boomed as it slowly drew out upon its long journey of 2,905 miles.



## CHAPTER XII

### FROM EUROPE TO "FAR CATHAY"

UPON his return from Silver Heights to Montreal Van Horne found a letter awaiting him from Jason C. Easton, the Wisconsin banker and railway president.

"I am counting the time when your five years' engagement with the Canadian Pacific will be up," he wrote, and if Van Horne were at liberty to accept it, a presidency would be offered him in his old field, "and your acceptance would make me the happiest man in America."

But if Van Horne had been free to leave, he could not have been tempted to abandon the immense field for the exercise of his creative energies which Canada still afforded him. The main line was complete, the railway, as an efficient transportation system, was hardly begun. The quality and character of the line built by the company was everywhere of a higher standard than that fixed in the contract with the government. But the rapidity of construction had necessitated the use of temporary structures which had to be replaced. Stone or steel must eventually be substituted for wood in thousands of culverts and bridges. Vast stretches of trestle-work must be

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replaced by permanent structures or filled in. Work of this kind had already been begun, but years would elapse before the roadbed could be finished in permanent material. Operating equipment, rolling-stock of all kinds, shops, yards, engine houses, stations, docks, and the thousand and one necessities of a railway must be provided for the unexpected development of traffic already reached and for the still greater volume of traffic which was certain to follow. Construction of branch lines in the east and the west must go vigorously forward. Profitable connections had to be established with American lines. Everywhere along the line traffic had to be stimulated and, indeed, created.

So far as the direction of construction had permitted Van Horne from the beginning had given his keenest attention to the development of traffic. Upon his arrival in Canada almost his first question to Stephen had been: "Have you given away the telegraph, the express, the sleeping-cars?" Receiving a negative reply, he advised the company to adopt the policy of retaining all these auxiliary services which earlier American and Canadian railways had relinquished to external companies. Everything out of which money could be made was to belong to the company, and no friend or director—least of all himself—was to profit by a personal interest in any service which could properly be undertaken by the company

## THE DOMINION EXPRESS

itself. "I expect," he said, "the side-shows to pay the dividend." In the light of his experience, "express companies take all the cream off the parcel traffic and leave the skim-milk to the railroads."

In 1882, therefore, he had procured the incorporation of the Dominion Express Company, whose stock was all owned by the Canadian Pacific, to carry on the express service of the line, and obtained a capable manager from an American express company at St. Louis. In somewhat similar fashion he established the Canadian Pacific telegraph service. With every mile of railway constructed the telegraph poles were erected and wires strung, and a telegraph service was provided from one end of the road to the other and at all points touched by the various branch lines. To establish the service on a nationally commercial basis, he created a telegraph department which he placed under the direction of Charles R. Hosmer.

As soon as the road had crossed the prairies, Van Horne had the bleaching buffalo bones collected and shipped to eastern factories. American cattlemen were invited over to the rich grass regions of the Territories and a beginning was made in live-stock traffic. Wherever he went in Manitoba he kept reminding people that "men can grow the goose wheat or any other soft kind in many places, but no country can grow a finer quality than you can right here in Canada. Don't

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neglect your opportunity." A study of the kinds of wheat best adapted to the soil and climatic conditions led him to the conclusion that the "Red Fife," which had been introduced by a settler from Scotland, produced the finest crop, and as an inducement to its wider adoption he offered to carry it free for any farmer buying it for seed.

Before Van Horne's arrival in Canada flat warehouses had been employed for the storage of grain. His experience in Minnesota enabled him to point out that if Canada desired a reputation for grain of superior quality, it must have more modern elevators in which the grain could be satisfactorily cleaned and graded. The first elevator at Fort William which had a capacity of one million bushels, looked so large that it was prophesied that there never would be grain enough in the west to fill it. But by 1886 other large elevators had been built at Port Arthur and Owen Sound, and a chain of small receiving elevators had been erected at way-stations, extending three hundred miles west of Winnipeg.

The economy exercised in the construction of the railway, its light gradients and easy curvature, and the company's freedom from a heavy load of fixed charges enabled the company to establish tolls for the carriage of passengers and freight far lower than those of neighbouring lines in the United States. Before the close of 1885 the

## CREATING TRAFFIC

wisdom of that policy was already manifest in the development of business along the line.

Having inaugurated, so far as its facilities and resources would permit, the policy of the company building, owning and maintaining all its rolling-stock, Van Horne took special interest in designing the sleeping- and parlor-cars so that they should furnish the maximum of comfort and offer an æsthetic appeal. He engaged the artists Colonna and Price for their interior decoration, supplementing or modifying their designs in accordance with the dictates of his own taste.

Upon completion of the main line, the Canadian Pacific pushed out vigorous tentacles in every direction in its search for traffic. Branches or extensions were rapidly constructed to Buckingham, near Ottawa, to secure the traffic afforded by the phosphate mines on the Lièvre River; to the copper mines near Sudbury; to Vancouver and New Westminster in British Columbia; to Holland, Whitewater Lake, and Deloraine in Manitoba. Connections were made with independent lines running from Dunmore to the coal-mines at Lethbridge, and from Regina to Long Lake. The extension of the Ontario and Quebec was advancing to Montreal, where a bridge in course of erection over the St. Lawrence and a short line connecting the bridge with the South Eastern, already principally owned by the company, would enable the Canadian Pacific to form

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a connection with the Boston and Lowell and obtain access to the New England states and the Atlantic seaboard. A bridge was also begun over St. Mary's River at Sault Ste. Marie in concert with the Minneapolis, St. Paul and Sault Ste. Marie or "Soo" line and the Duluth, South Shore and Atlantic, by means of which a direct line, extremely advantageous in point of distance, would be furnished to Chicago, Duluth, and St. Paul. Another extension of the Ontario and Quebec from Woodstock to the Detroit River was nearing completion. And an agreement was made with the government for the construction of the so-called "Short Line Railway," running from Montreal by way of Sherbrooke and Lake Megantic and across the state of Maine to a connection with the railway system of the provinces of New Brunswick and Nova Scotia. In order to give the "Short Line" access to the Atlantic, Stephen had obtained Sir John Macdonald's assurance that he would give the Canadian Pacific running rights over the Intercolonial Railway, owned by the government, to the ports of St. John and Halifax.

In 1886 Van Horne took the first of his annual inspection trips from Montreal to the Pacific. On these trips he was invariably accompanied by some of his co-directors and other chosen friends, and they became famous for good company and good cheer, and for the boundless vitality, bonhomie, and practical jokes of the host. Seated in

## INSPECTION TRIPS

the observation compartment of his private car, the "Saskatchewan," Van Horne spent the days in following with critical eyes the thousands of miles of steel which vanished in rock cuttings or tunnels or was merged in the distance, and in discussing local problems with divisional superintendents and engineers who traveled with him over the sections of the line under their supervision.

On the Lake Superior section he saw a large amount of work being carried on in widening cuttings, raising and widening embankments, ballasting, and filling trestles. Heavy work was also being done in filling the insatiable muskegs so as to provide a solid roadbed for the track. Before it was finally filled in a famous muskeg west of Port Arthur swallowed up, one after the other, seven layers of rails, and when Van Horne's train passed over it the track crept and rose and fell in waves of many inches.

In the prairie section there was an increasing movement of immigrants, and the grazing country that spreads eastward from the base of the Rockies was rapidly filling up with cattle from eastern Canada and the United States. He found the line throughout this section in a satisfactory condition. He had shown this to be the case in 1885, when opponents of the road had alleged that its hasty construction had resulted in slipshod work and an unsafe track. He had coun-

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tered them by inviting prominent residents of eastern Canada to accompany him from Winnipeg to the foothills of the Rockies, promising to cover the distance of eight hundred and forty miles between dawn and dusk. In the long July days of the northwest this promise was safely fulfilled, and the travelers were sent home as living refutations of the attacks upon the roadbed and equipment.

A large amount of work remained to be done to place the mountain section in effective working order, but the weightiest problem to be solved was the protection of roadbed and trains from the mountain avalanches which had been regarded by many as an insuperable objection to the route through Kicking Horse and Rogers passes. During the winter of 1885-1886 a little band of engineers had remained in the mountains with their snowshoes and dog-trains to observe the snowslides. Upon their report there were now building thirty-five snowsheds with a total length of four miles, so designed as to carry avalanches over their sloping roofs without injury to the roadbed—the first of their type on the continent. These did not entirely solve the problem, for year after year the engineers reported new slides and the need of snowshed extensions. In 1887 nine men, rebuilding a demolished bridge, were carried off by a fresh avalanche and buried forever in the white silences. In the same season an im-

## SNOW-SLIDES AND SNOWSHEDS

perial representative, sent out to study the availability of the road as a mail route to the Orient, was detained for thirty-three days by snowslides. Eventually the snowsheds were improved by a system of triangular glance-works, suggested by Van Horne, which guided the avalanches and directed their course right and left from the openings which had to be left as fire-breaks between the sheds. This development, however, was still unthought of when he and his guests crossed the mountains in 1886.

From Nipissing to Vancouver the party passed through rising villages and settlements and stations which he had taken great delight in naming. Majestic Mount Stephen and shining Mount Sir Donald commemorated the names of the greatest of his associates, while Estevan and Leancoil, their cable code-names, further immortalized the memory of the two Scotch-Canadians. Among many others, the names of Heming, Langevin, Bowell, Tilley, Palliser, Keefer, Moberly, Cartier, Schreiber, Caron, Secretan, and Crowfoot bore testimony to Van Horne's appreciation of services rendered the road. Revelstoke, Clanwilliam, Lathom, Gleichen, Boissevain, and Eldon recalled the names of some of the company's adherents on the other side of the Atlantic. Agassiz had been remembered. There were names to commemorate builders, politicians, engineers, bishops, mounted policemen, and Indian chiefs, but

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there was no Van Horne. When, in 1884, an enthusiastic admirer had changed the name of Savona's Ferry to Van Horne, the general manager had promptly restored the name of the old pioneer who had dwelt by the river since the days of the gold rush. His own name, however, was soon to be used by another, when Dr. Vaux, the Alpine climber of Philadelphia, named the Van Horne range of mountains in British Columbia.

The train ended its westward journey at Port Moody, for the extension of the track was not yet completed to the tents and fir-stumps which littered the townsite of Vancouver. Chinese coolies were clearing this area; docks were being built in accordance with the plans Van Horne had sketched out during the previous year; and he had made arrangements for the immediate construction of a handsome hotel.

In the plenary powers of the company's charter Van Horne had always found a source of inspiration. He had persistently dwelt on the need of Pacific steamships for the creation of through traffic and the development of the country at large.

"Canada is doing business on a back street," he said. "We must put her on a thoroughfare."

He had been impatient to see steamships owned by the company navigating both oceans, but to realize even a part of this dream an imperial subsidy was necessary. Carefully studying

## A PACIFIC STEAMSHIP SERVICE

the sources and shipping of tea, silk, and other oriental commodities, Van Horne had prepared an official memorandum on trans-Pacific connections which gave most detailed information of eastern mail subsidies and trade possibilities. He had emphasized as forcibly as the most ardent imperialist the military value of the Canadian route as an alternative to the Suez Canal for the transportation of troops to the East, and had already demonstrated its imperial value by transporting heavy ordnance to Hong Kong. All his efforts in this direction would necessarily tend to divert to Canada trade enjoyed by the Pacific ports of the United States, but this in no way concerned him. In his official capacity Van Horne was no longer an American. He was not, on the other hand, a Canadian. He was simply, body and soul a Canadian Pacific man—a genius of transportation working out his own destiny in the organization of land and sea traffic.

In May, 1886, the company had formally tendered to the Imperial government for a fortnightly mail service across the Pacific at a speed of fourteen knots, the highest speed contracted for up to that time on ocean voyages. They offered to build under Admiralty supervision first-class vessels of eighteen knots, adapted to the carriage of troops and to conversion into armed cruisers. Meanwhile, cargoes of silk and tea had been secured in the Orient for sailing vessels char-

## SIR WILLIAM VAN HORNE

tered by the company. Van Horne watched the first of these as it sailed in to the docks at Port Moody. It was a fitting finale to his tour of inspection, for the ship slipping quietly to its moorings marked the end of an enterprise which had lured men since the days of Marco Polo. What Champlain had dreamed, and Cartier and Hudson braved so much to do, was now accomplished. The shortest way westward from Europe to "far Cathay" had been opened up by the son of an Illinois pioneer and his Scotch-Canadian associates.

## CHAPTER XIII

### FIGHT WITH MANITOBA GOVERNMENT

AT the beginning of 1887 Van Horne's contract with the company expired, and he received from Jason Easton a definite offer of the presidency of the Chicago, Milwaukee and St. Paul. Expressing the hope that he was ready to come back to his old home, Easton said: "The question of salary will cut no figure and will of course be very large, and you will have all freedom of action. . . . If you give me any encouragement and things work out as I now expect, I will go to New York at once. . . . I can't sleep nights until this is off my mind."

Van Horne telegraphed his refusal of the offer, and Easton wrote again: "Your telegram of this evening is about what I might expect. . . . If the St. Paul Company could have secured you as its head it would have had the ablest railroad general in the world, all that Grant was to the U.S.A."

Van Horne's decision to remain in Montreal snapped the last link with his earlier career. He was already so completely identified in the public mind with the Canadian Pacific as, in effect, to be regarded as the company itself. Henceforward his lot was finally cast in with Canada's.

## SIR WILLIAM VAN HORNE

Although the heavy construction work of the preceding five years was over, there was left an aftermath of disputes and litigation with contractors on the Lake Superior section and with the government concerning the condition of the Onderdonk section. Throughout 1887, and until these differences were finally settled by arbitration, the task of protecting the company against the exorbitant claims of contractors and of establishing its claim against the government made considerable inroads upon Van Horne's time. His Montreal office, too, now had all the marks of a busy audience-room. Deputations came from every quarter of Canada to lay the needs of their localities before him, for the Canadian Pacific was not only a common carrier, but was also Canada's greatest commercial agency. Demands for branch lines and for help for new industries poured in upon him. A caller was fortunate who did not have to spend two or three days on the doormat before securing an interview. But the greater number of visitors were not in quest of the company's assistance. They came to him for advice as a man fertile in ideas and prompt and positive in his judgment; and very many of them went away with their schemes entirely upset or radically modified. But such draughts upon time and patience are a tax which few heads of great railway organizations can escape.

The strain of construction over, Van Horne's

## THE SETTLEMENT OF THE PRAIRIES

mind was freer to turn to the settlement of the prairies. With three hundred million acres of arable land, one-third of which was capable of producing the highest grade of wheat; with coal deposits which geologists were beginning to estimate in hundreds and thousands of millions of tons and with vast timberlands to the north, there was a region of such immense potentiality that its free lands might well have been expected to summon the land-hungry from the ends of the earth. Moreover, its promise had already borne fruit in bountiful crops on the small area under cultivation and in the first shipment of ranch-cattle to England. A wheat surplus of ten million bushels in Manitoba had obliged the company to establish a large flour-mill at Keewatin. The free homestead lands in the railway belt and south of it as far west as Moosejaw were being rapidly taken up, and it was the policy of the company not to press the sale of its own lands until the free government lands in their vicinity were settled, when a better price could be obtained for them.

To promote the settlement of the government lands and hasten that of the company's, Van Horne inaugurated an aggressive and persistent campaign of advertising of a varied and versatile character, which was to be carried on for many years. Special efforts were made to divert from the New England states the large stream of emigrants still pouring out from the Maritime Pro-

## SIR WILLIAM VAN HORNE

vinces and Quebec. Priests were appointed colonizing agents to induce the French Canadians in New England to leave the factories for the wholesome outdoor life of the West. The press, the platform, and the distribution of letters from satisfied settlers were supplemented by the engagement of a corps of the best artists and photographers to furnish, by brush and camera, pictures of the wonderful scenery of mountains, lakes, rivers, and forests. Elaborate brochures were prepared describing the unsurpassable attractions of the country for the hunter and the fisherman. Artists, editors, men of science, churchmen, politicians, and manufacturers were sent through to the Pacific, treated royally, and returned to their homes to talk or write or lecture on the opportunities offered by the newly-opened lands. From Europe were invited men of wealth and station, friends of Sir George Stephen who were already interested, or in the future would be interested, in the welfare of the company itself or in the country through which they were taken.

It has been aptly said that Van Horne "capitalized the scenery." But sight-seers could not be attracted to the mountains and rivers of British Columbia unless suitable accommodation were provided for them. The company's charter permitted it to operate hotels, and Van Horne now began to realize a long-held dream by starting a system of picturesque hotels commanding the

## DESIGNING HOTELS AND STATIONS

choicest views in the Rockies and the Selkirks. He found recreation and delight in sketching, suggesting, or modifying the elevations and plans of these structures.

But there was one mishap. When a New York architect had amplified his sketches for an attractive hostelry at Banff, the builder turned the hotel the wrong side about, giving the kitchen the finest outlook. One day Van Horne arrived and saw the blunder. His wrath amply illustrated the description of a colleague: "Van Horne was one of the most considerate and even-tempered of men, but when an explosion came it was magnificent." However, by the time the cyclone had spent itself a remedy was forthcoming. He sketched a rotunda pavilion on the spot, and ordered it to be erected so as to secure the coveted view for the guests.

A station was required at Banff to replace the primitive box-car that had hitherto done service. The builders were at a loss for a design. Discussing the problem with his officials on the spot, Van Horne seized a piece of brown paper, sketched a log chalet, and, pointing to the wooded mountain slopes, said simply, "Lots of good logs there. Cut them, peel them, and build your station," This was the genesis of the artistic log-stations in the Rockies. For Sicamous was designed a station that rose up from the lake like a trim, compact ship.

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Van Horne also found scope for his fondness for architectural design in the east, notably in the new headquarters of the company on Windsor Street, Montreal, where a massive structure was erected, impressive as a Norman fortress and typifying by its solidity the character of the corporation it housed. Nor did Bruce Price's later designs for the Château Frontenac at Quebec and the Place Viger Hotel at Montreal escape radical modification by his pencil.

The winter of 1887-88 saw the culmination of a long and bitter contest which, arising out of the monopoly clause in the company's charter, threatened at one time to rupture the federation of the Canadian provinces. It will be remembered that the charter provided that for twenty years the Dominion government should not authorize construction of any line of railway running south from the main line of the Canadian Pacific to any point within fifteen miles of the international boundary. The object and spirit of this provision was, on the one hand, the temporary protection of the interests of the Dominion in the northwest, and on the other the protection of the Canadian Pacific during its infancy from invasion by lines from the south. The necessity for such protection was obvious, for if once connection were permitted at the southern boundary of Manitoba with American railroad systems, there was practically no limit to the encroachments that might ensue; and

## THE "MONOPOLY CLAUSE"

railway lines were already pushing northward from Chicago and St. Paul to the border, threatening to tap the prairie section of the Canadian Northwest and to deprive the eastern section of the Canadian Pacific of the traffic necessary to its support and efficiency as part of the through line. The company, therefore, had deemed it essential to the procuring and safety of capital and, in general, to the success of the enterprise that traffic of the territory to be developed by the railway should be secured to it for a reasonable period. Without this provision the necessary capital could not have been secured and the railway could not have been built.

The political desirability of this protection was equally obvious, for the heavy burden of taxation put upon the older provinces for the building of the railway could only be justified by the binding together of the detached provinces and the extension it afforded them of their trade and manufactures over the entire northern half of the continent.

Winnipeg at the time was a mere village, and the settlements in Manitoba were mainly confined to a narrow fringe along the Red River. The province hailed the signing of the contract, and hardly a voice was raised in objection to the so-called "Monopoly Clause."

Feeling, however, that the clause placed upon it a moral obligation to provide railway facilities as rapidly as possible in southern Manitoba, the

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company, almost simultaneously with the commencement of work on its main line, had laid out and begun work on a system of four hundred and thirty-three miles of branch lines extending south and south-west from Winnipeg. It had gone further. For the purpose of promoting the development of the country, it had made its rates for freight and passengers on a scale far below the rates of any of the railways in the United States similarly situated; and an enormous reduction in the rates theretofore paid by the people of the province to and from the east over American lines had followed the opening of the line between Lake Superior and Winnipeg. Yet no sooner had operation of the line started than complaints arose that the rates on outgoing wheat were excessive and that the monopoly clause deterred immigrants from settling in Manitoba.

Development of the prairie section west of Winnipeg had been rapid. Winnipeg was growing into an important city and, with other rising towns, was suffering from the effects of a "land boom;" and the natural and inevitable consequences of over-speculation were mistaken for the need of railway competition. This idea was fostered by individuals having selfish ends to serve; by towns seeking advantages over others in trade; by local politicians striving for popularity; and by politicians at large for party ends. The usual means were employed to create and keep up a

## QUARREL WITH MANITOBA

ferment—sensational articles in the local press, unfair and false comparisons of rates, and inflammatory speeches and appeals to prejudice. The Manitoba government declared its intention to construct a line by way of the Red River Valley to the international boundary, there to connect with a line advancing northward from the Northern Pacific Railway and supposed to be building under the auspices of that company. In May, 1887, Stephen telegraphed Norquay, the provincial premier, protesting against the proposal as a breach of faith toward the holders of the \$134,000,000 private capital invested in the Canadian Pacific, and threatening that if the mischievous agitation continued and the Canadian Pacific were treated as the public enemy of the people of Winnipeg, the company would at once remove its principal western shops from that city to Fort William.

In June the provincial government enacted legislation authorizing the construction of a road to the boundary. The Dominion government, exercising its power of veto, promptly disallowed the legislation as being *ultra vires* of the province. A second measure shared the same fate, and Manitoba became thoroughly aroused and indignant. A company chartered by the provincial government, notwithstanding the veto of the Dominion, proceeded with the construction of its road, and a temporary injunction was obtained in the Mani-

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toba courts by the Minister of Justice of the Dominion to restrain the builders and the Provincial government from proceeding with their illegal operations. While the injunction was pending the Canadian Pacific at dead of night built a spur-line about two hundred yards long across the path of the new railway, and an interlocutory injunction was then obtained restraining the rival road from crossing the line of the Canadian Pacific.

This clever but useless bit of tactics served only to heighten the passions of the people of Manitoba. Norquay insisted that the road would be built "at the point of the bayonet if necessary," and men talked of a third Northwest rebellion.

In November the court granted a permanent injunction, but by that time construction of the Red River Railway had stopped for lack of money and Norquay's government had dissolved.

Entrenched in statutes and court decisions, the position of the Canadian Pacific now seemed impregnable. But "the sovereign will of the people" had been aroused. They echoed the fallen Premier's talk of bayonets and applauded the local press, which, as one of its milder forms of abuse, dubbed Van Horne "the Great Mogul of Monopoly." The latter, however, giving evidence before the Railway Committee of the Privy Council at Ottawa in December, declared, on the contrary, his belief that railways should enjoy perfect freedom in construction; that the protection of ex-

## “PROVINCIAL RIGHTS”

isting lines was a fallacy; but that the course taken by his company in Manitoba was absolutely necessary for national reasons, namely, for the preservation to Canada of the trade and traffic arising within its boundaries.

The ferment created by the speculators and politicians in Manitoba, however, reacted upon the Dominion government. Greenway and Martin, the aggressive young leaders of the new Manitoba government, stormed Ottawa with a new weapon against disallowance. The question of Provincial Rights, framed by them and destined to survive for many years as a political battle-cry, was now first projected into Canadian politics.

The question was one so charged with political trouble, and Manitoba was so urgent in its agitation, that Sir John Macdonald finally promised Greenway that there should be no further disallowance of Manitoba's railway legislation, and early in 1888 he secured from the Canadian Pacific the relinquishment of its monopoly privilege in consideration of certain financial guaranties. The sequel furnishes another example of Van Horne's love of battle and his unwillingness to accept defeat until he was counted out.

Martin, “the stormy petrel of Canadian politics,” became Railway Commissioner for Manitoba and at once proceeded with an extension to Winnipeg of a line from Portage la Prairie, intending eventually to connect it with the Northern Pacific.

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His plans, however, necessitated a crossing of the Canadian Pacific branch line to Pembina, and the permission of the Railway Committee of the Privy Council at Ottawa was necessary to cross a Dominion railway. Permission was slow in coming, and the Canadian Pacific announced its determination to resist any crossing until permission was granted.

Meanwhile, the new grade was being built up close to both sides of the Canadian Pacific track and track-laying was in progress. The provincial builders, declaring that the company was exerting unfair influence to delay the Railway Committee's permission, decided to anticipate that formality by starting a crossing over the company's line, in the same fashion as the Canadian Pacific had stolen across the Red River road in the preceding year.

Such a decision took matters out of the abstruse realm of parliaments and politics into a field in which Van Horne was master. He sent instructions to William Whyte, the general superintendent at Winnipeg, and felt confident of the outcome. Word reached Whyte that a crossing was about to be attempted. Within an hour an old C.P.R. engine was ditched at the point of crossing, and he was on the spot with a force of two hundred and fifty men from the company's shops to prevent its removal. In his private car, drawn up at the crossing, were a number of special con-

## A GAME OF BLUFF

stables and two magistrates. Workmen of the provincial line came up to study the situation. At first they fraternized with the company's men. Cabinet officials, policemen, and citizens from Winnipeg rushed to the scene. The chief of the provincial police informed Whyte that the appointments of his special constables had been cancelled. The justices of the peace in Whyte's car as promptly swore them into office again. As the day wore on more men were brought to the crossing by both sides. Whyte had his men attach a hose to a locomotive and threatened to throw live steam upon the opposing forces if they attacked.

Winnipeg flamed with excitement, and Van Horne, who at long distance from his office in Montreal was playing as merry a game of bluff as he had ever known, was violently attacked by the press. "The vigour and point of the expressions about him would probably make even the imperturbable Van Horne wince could he hear them." A St. Paul paper, speaking out of the fulness of experience, urged its Manitoba neighbors to cool down, for the situation was one of "ineffable absurdity." So indeed it was.

Manitoba's Railway Commissioner, however, thought otherwise. On the fifth day he had a hundred and thirty men sworn as special constables and called out the local troops under Colonel Villiers. These peaceably pitched their tents with-

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in view of "Fort Whyte," where the general superintendent and his forces continued to hold their ground. At another point, where their rivals threatened to lay a diamond crossing, Whyte's men built a fence about the railway, and lay inactive and alert behind the barricade. Some farmers came up to them with staves as weapons, talked ominously of lynching, but retired without a clash. Whyte asserted stoutly that he and his men would stay on the ground and the dead engine would lie on the crossing as long as the other railway persisted in its intention to cross.

"We are here," he said, "to protect the company's interests, and if necessary we will tie up the whole western system and bring in every man to hold the 'Fort.' "

Extravagant reports of the incident were sent to eastern Canada and England. Attempts were made by the Northern Pacific's friends in Manitoba to effect a crossing at three different points, but everywhere they were foiled by Whyte's vigilance. The contest lasted for a fortnight.

In the meantime, while awaiting the decision of the Railway Committee, the company had sought to obtain an injunction from the courts restraining the provincial road from trespass. The courts now refused to grant an injunction and the company was obliged to submit to the crossing.

The competitive line was completed, but in a short time the local press was attacking the

## THE ONDERDONK SECTION

Northern Pacific for its high traffic rates as violently as it had attacked the Canadian Pacific, and was even accusing it of collusion with the latter.

Hardly was the fight with Manitoba concluded when Van Horne was obliged to proceed to the Pacific coast to give evidence in the arbitration with the government concerning the Onderdonk section between Port Moody and Savona's Ferry. In 1881 the government had undertaken to construct this section on a standard equal to that of the Union Pacific and to hand it over to the company in as good condition as that of the remainder of the main line. But owing to the unexpected cost of construction, the government had taken alarm and had lowered the specifications, with the result that the section was in an unsatisfactory condition when it was transferred to the company, which had been put to great expense to remedy these defects. The company was now claiming to be reimbursed for its expenditure and seeking an arrangement whereby the whole section would be brought up to the requisite standard without further expense to the Canadian Pacific.

The train to which Van Horne's car was attached carried the arbitrators, Chancellor Boyd, the chairman, Thomas C. Keefer, a distinguished engineer, and George Tate Blackstock and Walter Cassels of the Ontario Bar, as well as counsel and witnesses for the contending parties. All these

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were especially interested in viewing the mountain section built by the company, for the government was contending that the Onderdonk section was in no whit inferior, and its counsel and engineers were endeavouring to fortify their case by instituting a comparison with the "dangerous grades and unprecedented curves" in the mountains, particularly condemning the Big Hill, a four per cent. gradient down the Kicking Horse Canyon between Hector and Field. Van Horne, aware that trains were accustomed to run slowly over this stretch of road, sent word at Canmore to the locomotive engineer to take the train over the Rockies at a good speed.

"We will show these fellows," he said, "that our road is fit to run on, though the Onderdonk is not."

The engine-driver obediently made the trip of forty-nine miles to Laggan in an hour. Then, moving more slowly over the summit, he slipped down the Big Hill at the rate of eighteen miles an hour. The trip was made with such speed and ease that the commissioners and party could hardly credit the statement that they were already down the Big Hill.

When the train stopped for water at Field, Van Horne sauntered down the platform and asked the engineer if he did not think it safe to run faster. Charles Carey was a fearless driver and a favourite with Van Horne because of his skill and daring.

## A MERRY RIDE

"I'll go just as fast as you want," he replied.

"Then give these fellows a merry ride, just to let them know they are on a railroad. Run her as fast as you like, provided you don't ditch them."

Carey knew what was wanted. He increased the speed, letting the engine hum over the steel at a pace that delighted Van Horne. The cars rocked; the armchairs and loose furniture of the private car piled together like a ship's furniture in a hurricane. Men held to their seats with difficulty, and in one of the lighter cars not all were successful in doing that. "Adirondack" Murray's dinner was spilled over him. The train raced through the lower canyon of the Kicking Horse. What reeked the dizzy passengers that they were traversing a most interesting section of rockwork or, emerging from the canyon's gloom to the luminous valley of Columbia, could see the radiant peaks of Sir Donald and Mount Stephen? In the stretch of fifty-one miles to Golden, made in an hour, the engine never stopped or slackened speed. As a breath-taking climax, the seventeen miles between Golden and Sir Donald were made in fifteen minutes; and when Carey's engine was stopped just beyond Sir Donald, Jimmy French, Van Horne's coloured porter, ran up to him.

"You tryin' to kill us?" he cried. "All dose genmuns back theah are under the seats. Only the boss left," he added proudly, "sittin' up in his chair with his pipe."

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Having been taught their lesson of respect for the safety of the Canadian Pacific's track and equipment and the skill of its engineers, the party was given a rest, and the train gently looped the loops over the trestles of the Illecillewaet, winding screw-wise down the canyon's sides and making two and a half miles of progress in six miles of travel.

## CHAPTER XIV

### PRESIDENT OF THE C. P. R.

ON his return in August, 1888, from the Pacific coast, Van Horne found himself the duly elected president of the company in place of Stephen. The latter retained a seat on the directorate and intended to devote himself to the financial interests of the company in England, where he proposed to take up his permanent residence.

Van Horne's promotion to the presidency of the company could not materially affect or increase his responsibilities. He had already had full control of operations. Yet it could not fail to be a proud moment in his life when, at the comparatively early age of forty-five, he became the titular and acknowledged head of a system embracing over five thousand miles of railway, stretching vigorous fingers out to all points of the compass, owning fourteen million acres of land, and possessing assets of \$180,000,000. In the magnitude of its business it would not bear comparison with the great systems entering New York, Philadelphia, and Chicago, but it had, for him, the inestimable advantage over all of them in the promise of a future to which there were no apparent limits. He now held, too, the unchal-

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lenged primacy in Canadian railway affairs, and since the further development of the Canadian Pacific offered the greatest inducements to his creative impulses, he could rightly feel that there was no position in the railway world so enviable as his own.

His work as a railway-builder had been phenomenal, but before coming to the Canadian Pacific he had had small experience of large business or financial affairs. He was fortunate, therefore, in having an able and zealous body of assistants and a prudent and sagacious financial adviser in R. B. Angus. At the beginning, the official personnel had, of necessity, been recruited from the officers of other American and Canadian railways, but he had adopted the policy of promotion from the ranks; and the wisdom of such a course was already apparent in the remarkable *esprit de corps* which prevailed among employees of all grades.

Upon Shaughnessy, who had become assistant general-manager in 1885, Van Horne had thrown increasing responsibility; and Shaughnessy was well able to bear it, for he was endowed with all the qualities that go to make administrative capacity of the highest order. Van Horne's talents shone in other directions, and from the first he leaned heavily on Shaughnessy's strong business sense and acumen. Traffic was in the hands of George Olds and David McNicoll. I. G. Ogden, a

## UNSCRUPULOUS ATTACKS

genius in accountancy, filled the office of comptroller. The operation of trains and local interests were in the safe hands of such men as William Whyte, T. A. Mackinnon, and Harry Abbott.

In George Mackenzie Clark, the chief solicitor, he had an able and shrewd adviser, and the best railway lawyer of his time in Canada. Clark, who had a unique record of service as a county judge in Ontario for a period of over thirty years, was *persona grata* to Sir John Macdonald and the Conservatives, and a man of high personal character.

Van Horne's promotion was greeted with renewed attacks from London of a most impertinent and unscrupulous character both upon the road and upon the new president's personality. Describing him as "a foreigner and an alien," and alleging that "the road, though built with Canadian money, is intended for foreigners, and no doubt the day is not far distant when foreigners will own and control it for the purpose of making money out of it," Sir Henry Tyler, president of the Grand Trunk, and his supporters urged that the government should take over the road and divide the profits with the company. Jealous of the Canadian Pacific's development in what they regarded as their own territory and incensed at its projected connection with the "Soo" and Duluth lines, these ill-informed and ill-advised men now entered upon what was to prove a last

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desperate campaign of the long war they had waged upon the intruder and strove by means of a flood of false and damaging statements to discredit the company. Their immediate object was to prevent the company from obtaining the capital necessary to complete its line from London to Detroit, the construction of which had been forced upon the company by the failure of its earnest efforts to lease one of the Grand Trunk's spare lines. Their tactics frightened many of the holders of Canadian Pacific shares and bonds into selling out at prices far below the value of the securities, but the company secured the desired capital on more favourable terms than ever before in its history.

Breaking the silence which, in public, he had hitherto maintained against the attacks of these adversaries, Van Horne seized the opportunity afforded by an annual meeting of the company's shareholders to administer a temperate but stinging rebuke. In the course of his remarks he said:

I wish, in the first place, to express the hope that unfriendly remarks or impertinent comments upon the affairs of our neighbours will never characterize the meetings of the shareholders of this company. For my own part, I would prefer not to refer to their affairs at all; but lest continued silence should be misconstrued, I feel that I should, on this occasion, say a few words about the attitude of the Grand Trunk Company, as indicated by its acts in Canada and by the utterances of its president in England; and as to the latter, especially, I feel that I am more than justified in

## A REBUKE TO THE GRAND TRUNK

what I have to say by the increasing freedom of his remarks concerning this company, with which his shareholders are entertained at their half-yearly meetings, and which clearly indicate that he lacks that first requisite of good neighbourhood, the faculty of minding his own business.

We have, as you know, scrupulously refrained from interference with any of the projects of the Grand Trunk Company, or with its legislation or financial operations; and in our every-day relations we have as scrupulously avoided rate-cutting and unfair competition in any form. But almost every project and measure of your company, from the time of its organization up to this day, has met with the active hostility of the Grand Trunk Company at every turn—in the Dominion and provincial parliaments, in the money markets and in the public press. It is hardly necessary to go beyond the reports of the half-yearly meetings of the Grand Trunk Company for proof of this. At these meetings the most mendacious and absurd statements concerning the Canadian Pacific Railway seem to be received without question, and insinuations against the credit of your company are greeted with cheers. At the last meeting their president boasted of the successful interference of their officers in Canada with some of our recent legislation—unwarranted interference with legislation relating to our internal affairs and in no way concerning the Grand Trunk; and on the same occasion he indulged again in his often repeated hints about impending disaster to your company. Our offence is that in the necessary development of our railway system—in securing that independence which you know to be absolutely necessary to the success of the enterprise, we have come into competition with the Grand Trunk in certain districts, and that we have been obliged to go and get what the Grand Trunk would not bring to us. But when your representatives signed the contract with the Dominion government for the construction and future working of the Can-

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adian Pacific Railway, they bound you, without knowing it, perhaps, to an unwritten obligation, but one from which there was no escape, to do practically all that has been done since, and to do some things which have yet to be done. The interests of the Grand Trunk were already firmly established in the direction of Chicago, and they could not be reversed and made to fit in with yours. What is not to their interest the Grand Trunk people will not do, if they know it. They saw, perhaps as soon as any, what the building of the Canadian Pacific Railway implied, and they fought against it from the very beginning, and with a Bourbon-like disregard for the logic of events, they are fighting against it yet. They say a great deal about the aggressiveness of the Canadian Pacific, about its extensions and acquisitions in Ontario, regardless of the fact that since the Canadian Pacific came into existence the Grand Trunk has absorbed in that province more than two miles of railway for every one made or acquired by the Canadian Pacific, aside from its main line. They would have it believed that the Great Western, the Midland, the North Shore, the Grand Junction and other railways were acquired in frantic haste and without higgling about prices because they would be profitable to their shareholders, and not for the purpose of depriving the Canadian Pacific of connections. They would have it believed that the Northern and Northwestern Railways were acquired for the same reason, and with the friendly desire, at the same time, to secure a connection with the Canadian Pacific, and not for the purpose of preventing the Canadian Pacific from reaching Ontario from the northwest to advantage.

They also say a great deal about the assistance the Canadian Pacific has received in the way of subsidies, forgetting that the Grand Trunk and the lines amalgamated with or held by it have received many times the amount of subsidies in Ontario and Quebec that the Canadian Pacific has

## PRIDE IN THE C. P. R.

received for its lines in these provinces; and they forget to say that the Ontario and Quebec railway, between Montreal and Toronto, about which so much complaint has been made, was built without any subsidies whatever.

Every line made or acquired by the Canadian Pacific in Ontario was made or acquired with special reference to its necessity to the general system of the Canadian Pacific Company—and in no case because of mere profit in itself, but in no case, either, without the certainty that it would be profitable. Whether or not the extensive acquisitions of the Grand Trunk Company in Ontario bring profit or loss to that company does not concern us any more than does the fate of the Canadian Pacific shareholders concern the president of the Grand Trunk, according to his latest half-yearly speech.

I should feel proud of the entire responsibility for the present geography of the Canadian Pacific railway system if it all rested upon me, for I believe that no mistakes of any consequence have been made, and that the results have more than proved the wisdom of all that has been done; and I am confident that, with a knowledge of the reasons which have actuated your directors and with the results before you, there is little that you would wish undone, or that you could afford to have undone.

Had you stopped at the completion of your main line across the continent, your enterprise would have come to ruin long ago, or, at best, it would have existed only as a sickly appendage of the Grand Trunk. Like a body without arms, it would have been dependent upon charity—upon the charity of a neighbour whose interest would be to starve it. But to-day you have neither the Grand Trunk nor any other company to fear, and the monthly returns of net profit may be confidently depended upon to furnish a conclusive answer to all the misrepresentations which have been so industriously showered upon us for the past eight years.

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Van Horne did not sacrifice the company's interests to his resentment against the Grand Trunk. At the time of his address to the shareholders he was on the eve of concluding an important traffic arrangement with the enemy. His allusion to the acquisition by the Grand Trunk of the Northern and Northwestern lines had reference to a move whereby that company had decidedly stolen a march upon him. The Canadian Pacific was labouring under a serious disadvantage, in time and expense, in carrying the growing traffic between Ontario and the Northwest and the Pacific coast over its very round-about line by way of Smith's Falls. To overcome this advantage Van Horne had proposed, early in 1888, to utilize the Northern and Northwestern, which gave a connection between Toronto and North Bay, a point close to Sudbury Junction on the main line of the Canadian Pacific. This would reduce the distance from Toronto to Sudbury to 309 miles, as compared with 528 miles by way of Smith's Falls. But the Grand Trunk had stepped in, bought the lines, and checkmated him. Van Horne had immediately caused surveys to be made for a direct line between Sudbury Junction and Toronto, which would answer not alone for the main-line traffic, but for that of the lines by way of Sault Ste. Marie as well. A favourable route had been found, seventy miles shorter than that of the Northern and Northwestern, but in order

## A PROTRACTED FIGHT

to avoid the outlay of capital necessary for construction, Van Horne had come to the conclusion that it was expedient, despite the longer haul of seventy miles, to effect an arrangement with the Grand Trunk to handle the traffic from Toronto to North Bay over its newly acquired lines.

Before the agreement with the Grand Trunk could be effected the "Shore Line" was opened for traffic between Montreal and the Maritime Provinces, and on the same day a through train service was established by way of the "Soo" line to St. Paul and Minneapolis. A few weeks later the other American line connecting at Sault Ste. Marie, the Duluth, South Shore and Atlantic, was also opened for business. The extension of the Ontario and Quebec to Windsor and Detroit was practically completed, and the Canadian Pacific made an agreement with three American roads for connections to Chicago, St. Louis, and other western and southwestern points, and for the joint erection of a fine terminal station in Detroit.

These developments across the boundary precipitated the company into an embarrassing and protracted fight at Washington. The strategic value of the connections and fear of the Canadian Pacific, under Van Horne's direction, as a vigorous and aggressive competitor induced American railways to seek legislation by Congress rescinding the bonding privileges accorded to Canadian rail-

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ways whereby they were enabled to carry American freight in bond across Canadian territory. Such a threat had been in the air for some time. Chafing under the restrictions of the new Interstate Commerce Act, railway managers had advocated the withdrawal of these privileges on the ground that the Canadian roads were not amenable to the jurisdiction of the Interstate Commerce Commission and could therefore make secret rebates and compete unfairly with American lines. Exaggerated and erroneous statements were made concerning the company's land grant, subsidies, and government loans; and an impression was created among ill-informed members of Congress that the Canadian Pacific was the creature of the British government, built for the purposes of Imperial expansion and of establishing dominion over the Pacific.

This gave rise, at a time when Congressmen still found delight and political profit in pulling the tail of the British lion, to a situation which was fraught with danger to the company's interests. Van Horne engaged an able American lawyer, A. C. Raymond of Detroit, "to educate Congressmen and the public generally to a realization that the secret rebate charges were unjust and the motives prompting them highly selfish," and, if necessary, to remind unduly belligerent legislators that if the agitation in Washington were successful, Canada was in a position to pass retaliatory

## THE "SOO" LINE

measures. He himself gave evidence before the Interstate Commerce Commission in New York, and refuted the charges and misstatements. "You never go out without your gun," wrote a friend in Bloomington. The threatened legislation was averted, but the agitation simmered for several years and Van Horne found it necessary to retain Raymond continuously at Washington.

The connection with American lines gave rise to a difficulty of an entirely different character—one which was to give Van Horne a great amount of trouble, to involve him in a struggle with J. J. Hill, and ultimately, though indirectly, to strain his relations with his colleagues on the Canadian Pacific directorate. The "Soo" line was in difficulty in 1888 and had appealed for assistance to Stephen, whose backing of the St. Paul, Minneapolis and Manitoba and of the Canadian Pacific had established his reputation as a financier. In order to shut out the Grand Trunk from extending its North Bay branch to the Sault and forming a connection with the "Soo" line, the Canadian Pacific had made the necessary advances to tide the American line over its difficulties, exacting as the price of its aid an exclusive and perpetual traffic agreement. Stephen had expected that Hill would take over the road, and there was an understanding to that effect, but Hill changed his mind. Now, within a year after the opening of the line, this road and the

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South Shore found themselves in deep water and on the verge of default on all their securities. Convinced that their commanding position and special advantages would soon make them highly profitable in themselves, as well as feeders of great importance to the Canadian Pacific, and fearing that they might fall into the hands of the Grand Trunk or some other competitor who would effect a traffic arrangement with the Grand Trunk, it was decided to come to their rescue. The Canadian Pacific obtained control of both roads by agreements which included a guaranty by the company of the principal and interest of their funded debt. Time proved the wisdom of this action in respect of the "Soo Line," which developed into a highly prosperous and self-sustaining property; but it will be seen that the acquisition of the Duluth and South Shore involved the company in serious trouble.

While these difficulties were cropping up across the line, Van Horne was hoeing a hard row in bringing the Dominion government into accord on a variety of questions. The claims in respect of the Onderdonk section were still unsettled. The company so far had been unsuccessful in obtaining proper connections with the Intercolonial, and consequently was operating the "Short Line" at a loss.

"Does Sir John think we are infernal idiots?" he asked an Ottawa official, when the statesman

## PLAN FOR LAND SETTLEMENT

had forwarded the terms of a proposed arrangement; and the matter was not settled until 1891.

Despite the energetic and expensive campaign of publicity and advertising which Van Horne started to colonize the Northwest, the returns were discouraging. The government was apathetic, and he could not burden the company by offering financial aid to immigrants. One of the drawbacks to settlement was a widespread objection to the homesteaders' isolation and extreme loneliness. In order to remove this, Van Horne devised a plan of settlement for sections and townships which provided for triangular farms and roads radiating from small centers of settlement, the whole clustered around a larger village. He submitted this to the government, but nothing came of it, the Dominion and provincial governments objecting to any interference with the existing checkerboard system of survey introduced into Canada from the western States.

The determination of the company's land grant was also hung up. The company's charter provided that the subsidy lands should consist of all uneven numbered sections in the railway belt, but with the stipulation that these should all be fit for settlement; the even sections being retained by the government for free homesteads. Officers of the Canadian Pacific had reported that a part of the railway belt in Saskatchewan was arid or semi-arid land unfit for settlement, and the company

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informed the government of its desire to select lands outside the belt. The government balked. They feared that a new bargain would be misunderstood. Opponents were not hesitating to charge the government with being in collusion with the company to filch from the public purse. And a general election was not far off.

Several protracted conferences were held, the government obstinately refusing to accede to the company's proposal of a grant of a block or blocks of land outside the railway belt. The Minister of Justice, Sir John Thompson, putting the government's attitude in Biblical phrase, said, "Whither thou goest, I will go, and where the C. P. R. gets its sections, we must get ours, too."

After one distinctly heated and inconclusive argument, Van Horne and his party were at luncheon in the Rideau Club, when the buoyant, eternally youthful Premier entered and invited himself to a vacant seat at their table. No trace of annoyance remained on his face. He was all sunshine and smiles as he said, with irresistible bonhomie, "Ha, the country thinks we're in partnership, so why should we not be partners at lunch? But if the veil could have been lifted this morning, the country would have been disabused of its illusions."

Two years of discussion and conference elapsed before the dispute was finally settled to the satisfaction of the government and the company.

## C. P. R. EXTENSION IN B.C.

With these difficulties on his hands, Van Horne was nevertheless proceeding vigorously with the development of the railway in all parts of Canada. A great number of additional branch-lines were constructed in Manitoba and the Northwest, and other lines were leased or acquired in New Brunswick, Quebec, and British Columbia. While the company was building a branch from Vancouver to connect with an American line, by which all the important cities on the Pacific coast between British Columbia and the Gulf of California could be reached, Van Horne was also taking what steps he could to prevent the invasion by foreign lines of the Kootenay District in that province—a district rich in precious metals and other natural resources. Here the Northern Pacific was threatening to penetrate, as it had done in Manitoba. By leasing a line from Sicamous to Okanagan and by acquiring control of the charter of the Columbia and Kootenay, Van Horne made all parts of British Columbia south of the main line reasonably accessible. But these defensive measures did not satisfy him, and in a letter to Stephen, with whom he had kept in daily and voluminous correspondence since the latter's removal to London, he lamented "the languid way we are obliged to meet the Northern Pacific moves" and expressed a strong desire so to hasten development that the company may be "strong enough to mop the floor with the Northern Pacific or any other

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American company extending its lines into the Northwest."

But if he had not done all that he burned to do, Van Horne had accomplished much during the first two years of his presidency, and in his annual report to the shareholders for the year 1890 he could justly point with pride to what the company had achieved within the period allowed by the government for the completion of the main line alone. The date fixed for that completion not only "found the main line already more than five years in operation, but found the company with fifty-five hundred miles of railway in full and profitable operation and with tributary lines embracing sixteen hundred miles more; with its lines reaching every important place in the Dominion of Canada, and with connections established to New York, Boston, Chicago, St. Paul, Minneapolis, and Duluth; and as if to mark this date more strongly, the first of the company's fleet of Pacific steamships had just arrived at Vancouver from China and Japan with a full passenger-list and a full cargo."

The arduous work of railway operation and of planning developments Van Horne regarded as play, but he detested politics and the unbusiness-like methods of politicians and the various controversies with the government were infinitely wearing. Even his remarkable vitality felt the strain, and at the close of 1890 he wrote Stephen

## TIED DOWN TO OFFICE WORK

that the government's "attitude toward the company is most unsatisfactory. It is keeping me in a constant state of anxiety—misery, indeed. I have been closely tied down to office-work for a good while back and have got into another sleepless state, but will try to get out on the line soon and shake that off."



## CHAPTER XV

### THE PERSONAL SIDE

THE sum of his accomplishments in the construction and development of the Canadian Pacific during the eighties is so notable that it might well have exhausted the mental and physical energies of the most robust. But there is truth in the paradox that no one has so much spare time as the busy man, and Van Horne could never be idle. His vitality and restlessness, and the versatility of his tastes, demanded a constant outlet, if not in work, then in the pursuit of his hobbies, in playing games, or in a hospitality which was eagerly sought by an ever-growing host of friends. Nor was he neglectful of the gentler pleasures of home and family, which lost one of its number in November, 1885, when his mother, "a noble woman, courageous and resourceful," died.

His daughter has preserved a series of letters which he wrote to her when she was a school-girl in Berlin. These are charming by reason of their simplicity and of his effort to adapt his pen to matter which he supposed to be suitable for immature years. In common with other busy fathers, he failed to realize that she was almost

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grown up, and embellished his letters with humorous sketches of the family and their hobbies—little bits of home gossip giving unconscious pictures of himself.

“Little Grandma and I beat Mama and Aunt Mary this evening at whist. No. Almost, but so near that Grandma was quite happy.”

He expected her to rejoice with him in each new picture he had secured or in the good lines of a mantel he had just designed, but when she began looking up the Van Horne genealogy in Holland and wrote him of the family's coat of arms, he poked fun at her and her heraldry. His women-folk insisted that they had found the Dutch patriot Count Van Hoorn (de Horne) on their family tree, but he professed nothing but laughing contempt for the American search for ancestors in Europe. Families of the New World, he declared, should look to no record, no past, but that which they made for themselves. It was better to be a respectable descendant than to have an illustrious ancestor.

Circumstances had pushed palæontology into the background. Publications of the Geological Surveys at Washington and Ottawa were always on the table in his library, and he kept himself abreast with the broad results of their explorations and investigations. He exchanged specimens and corresponded with James Geikie, the Edinburgh geologist, after the latter's visit to Canada; and

## PAINTING BY GAS LIGHT

during construction days he would sometimes stop his train in a rock-cutting to spend a few happy minutes in a search for fossils. But after his arrival in Canada he never seriously resumed the task of collecting, and soon abandoned it altogether.

Precluded from painting by daylight, he took up his brush and palette at night, and would often remain at his easel until two or three in the morning. The disadvantage of working with gas light added to his zest, for it represented a difficulty to be overcome; and it cannot be questioned that he attained astonishing skill in overcoming it.

Sometimes his studio was shared by the artist Percy Woodcock, and the two would paint industriously or gratify Van Horne's insatiable desire for new effects by experimenting in colors. Woodcock has given an illuminating picture of those evenings:

Van Horne painted as birds sing, as naturally and enjoyably. It was a form of relief to his creative faculties that were continually seeking an outlet. In the studio his railway work was put entirely behind him—except in 1885, when he was so worried about the road's condition that sometimes in the middle of a joyous bit of painting the thought of the road would come to him like a shock and hang over him, holding him totally absorbed and still. But when he presently threw it off, you would think he had no other interest in life than painting. To live close to a personality so winning and so strong was as surely to become submerged in it as the women of his household were. . . .

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I became so attached to him that in our repeated talks on art I found myself leaning too strongly toward his views. His make-up was so positive that he exerted a tremendous influence on any one less positive. I wanted to keep my art, whatever it should be, as my own, and I often had to deliberately stay away from his studio until I left for Europe.

Van Horne's opportunities for painting did not satisfy his artistic instincts, growing more insistent year by year; and they found vent in other directions. He had hardly stopped collecting fossils before he began to collect Japanese pottery. His pieces were carefully chosen to illustrate historically the development of the art, and by 1866 his collection had attained such size and quality that his friend Meysenburg of St. Louis—another artistic mind tied to business—could write of “adding another trifle to your rich collection.”

More slowly, and with independence of judgment, he was forming the nucleus of a remarkable collection of paintings. In keeping with the vogue which it then enjoyed with American collectors, the Barbizon school made an early appeal to him, and his first important acquisition was an example of Rousseau's work. But while his purchases in the eighties were almost exclusively works of French artists, they were by no means confined to the realists. By 1890, Décamps, Michel, Monet, Daumier, Ribot, and Bonvin, as well as Corot, were well represented in his collection: his Delacroixs were sufficiently important to be sought

## AN ART REPOSITORY

for a loan exhibition in New York; and, among others, he had several examples of Montecelli's joyous but perishable orchestration of colors. Benjamin Constant and other artists entertained in his home, which was becoming internationally known for its hospitality, left with him souvenirs of their visits in the form of drawings or sketches in oil, exchanged for samples of his own work.

In 1890 Van Horne began to prepare a fitting home for the treasures he had and the treasures he hoped to acquire. He bought one of the substantial grey-stone houses typical of Montreal, fronting on Sherbrooke Street, close to the slopes of Mount Royal. Enlarging and altering it, with the assistance of his friend Colonna, he secured a residence of distinction and character in its proportions, while within it was a repository for art that was itself a work of art. Velvet wall-hangings in soft mellow tones were made the background for pictures and porcelains, to which more rare and beautiful examples were added year by year. No one ever had a keener enjoyment in the sense of possession than he; and in hanging his pictures and in disposing suitably his other treasures of ceramics, bronzes, tapestries, antique models of ships, and so forth, he found the same absorbing pleasure as he had found in mounting and classifying his fossils.

In his home, in his car, or in his clubs in

## LORD STRATHCONA

considerably, as it soon appeared, not only from Tupper's but from Sir John's. It was at this stage of the astonishing discussion that the House, as if the wand of Circe had been waved over it, frankly dropped its human mask and changed to a sheer Bedlam of rioting passions. Smith could scarcely finish a sentence in one breath. The naturally level stream of his speech was turned to a dizzy rapid, swirled drunkenly this way and that by jagged rocks at every inch of its advance. And yet, in spite of the momentary whirlpools and back-waters and side-rushes forced upon him, he kept a course in the main so straight and true that a bird's-eye view from some fair height above could have detected no divagations but only an unusual fulness, velocity and power. Macdonald's, Tupper's, and—most meanly spiteful of all,—Rochester's interruptions did not prevent him from saying his say. Like the Inchcape bell, high on its unquenchable rock among the deafening waves all round, he pealed out his own plain story loud and clear. That interview which he had had in the Speaker's room with Sir John's emissaries, ("the honourable member for Charlevoix, an honourable gentleman from the other House, Mr. Campbell, and Mr. Nathan, a personal friend of mine"), his own steadfast refusal on grounds of conscience to accept the whitewashing vote of confidence, his suggestion of the manlier, more honest and more excellent way of frank and

## RECREATIONS

room, he should reproduce a drawing made by Sir George Stephen at the other end.

"I didn't know what the devil to do, and as I sat with pencil and paper before me my mind was a perfect blank. Then I began to think and think hard. I suddenly remembered Lady Stephen telling me a few years before that her husband could only draw one thing—a salmon. I cast a sly glance over to the other end of the room, and saw his hand moving quickly in small circles. The scales! So I drew a salmon as quickly as I could. And, by jinks, it was right."

The cumulative effect of such impressions enabled him to create in the minds of men working on the railway the belief that he was endowed with superhuman attributes, that he was indeed omniscient.

"I believe Mr. Van Horne knows, or will know, that I am here now, lying on this grass, talking to you and watching you paint that picture," declared a young station agent at Yale, who, having taken a few minutes off duty, was watching William Brymner, the well-known artist, at work on the banks of the Fraser. When Van Horne was asked for an explanation he told the following, among several stories illustrative of his methods.

One evening I was travelling in my private car along what was, in those days, a rough part of the road north of Lake Superior. When the train stopped at a small station to

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take water, I got off to take a turn on the platform and stretch my legs. Going into the waiting-room, my attention was attracted by a conversation the telegraph operator in the office behind the wicket was having on the ticker with another operator away up the line. I listened and heard that "the boys" on the train which had just left for the east were having a great time. They had taken cushions from the first-class carriage, had made themselves comfortable in the baggage-car, and were playing poker. I did not say anything then, but when I got further down the line I telegraphed back to a station where the train with "the boys" was due to arrive a peremptory message that the cushions were to be returned to the first-class carriage and that employees were not allowed to play poker in the company's time. From that day to this those men don't know how I found out what they were doing.

Travel was his unfailing restorative. In his private car, the "Saskatchewan," he slept like a child and was always at his best. On his inspection tours he traveled by a special train. When there was no need of close inspection the train swept like a cyclone through small stations and drew up at water-tanks and divisional points in a cloud of steam and dust, from which the president instantly emerged. It happened in the twinkling of an eye—a Jovian descent that was as enjoyable to every railwayman in sight as it was to himself. He continued to be as approachable to a yardman as to a director, and as solicitous for his welfare. Compelled one day to wait some hours at Field, he took the trainmen up to the hotel to dinner, personally assuring himself that they should have

## PRACTICAL JOKES

as fine a dinner as the house could provide, though to do this he had to postpone that of his immediate party. Acts like these went, like the touch on a stringed instrument, clear along the line and made him the friend of every man in the service.

His guests on these trips were continually enlivened by his practical jokes, which were invariably conceived without malice and in a spirit of genuine fun. They were frequently worked out over considerable periods of time, and, pressing telegraphy into his service, he would sometimes keep the wires busy with messages that turned out to be bogus. In the *dénouements* the unsuspecting victims were not so much stunned with surprise as bewildered by the admirable ingenuity and careful elaboration of the plot.



## CHAPTER XVI

### THE FIGHT AGAINST RECIPROCITY

**B**ECAUSE they were so directly the product of Van Horne's genius, some attempt has been made to indicate the more interesting features of the development of the Canadian Pacific up to the end of 1890. It would be both wearisome and outside the scope of these pages to follow with particularity its general development further. Administrative problems, extensions and connections, traffic-wars and competition, inhere in the management of any great and growing railway system. It must suffice hereafter, therefore, to mention those policies, events, and incidents in which he took a special interest or played a conspicuous part, or which throw light upon his character and intellect. Before withdrawing within these limits, however, it may be well to give in his own words his view of the company's position at the beginning of its second decade and his grounds for regarding its future with complete optimism.

Earning more than sixteen million dollars, with profits exceeding six million dollars, the company had "at the same time the highest possible reputation, based on the prompt discharge of all its obli-

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gations from the beginning, and having a financial standing hardly second to that of any railway company on this continent; and occupying, furthermore, the unique position of having made a reasonable return to its shareholders from the outset, and in having repaid with interest, and long before it became due, every dollar borrowed from the government. . . . Anything like general competition is practically impossible; the country tributary to the company's lines is of enormous extent, its potential wealth is without limit; the knowledge of its advantages is spreading throughout the world, and people are attracted to it in constantly increasing numbers." )

The company had fortunately escaped involvement in the Baring failure of the preceding year. For several years subsequent to 1885 that house had handled all Canadian Pacific securities, but when, in 1889, the company sought its services, Lord Revelstoke, probably with a prescience of the downfall of his firm, had refused on the ground that the company was sufficiently well established to sell its securities over its own counter.

The Dominion government appeared to be more complaisant and amenable to reason, and the long-pending questions in dispute were, almost without exception, being satisfactorily adjusted. The Opposition press charged the government with being in unholy alliance with the company, but letters which passed between Van Horne and

## WINNING GOVERNMENT SUPPORT

Stephen clearly indicate that the charge was far from true.

The former wrote:

The ministers have recently shown themselves much better disposed toward us than usual, but how they will be a week from now, nobody can know. I have no more confidence than you, but the friendly feeling so conspicuously manifested toward us by both sides of the House last winter, and still more this winter, is sure to have its effect with Sir John and his ministers. I have never seen anywhere such hearty and general goodwill manifested toward a railway company as that which now prevails toward the C. P. R. at Ottawa. . . . I have reason to suspect that Sir John is somewhat jealous of our Grit support, but the more so the better.

Stephen replied as follows:

I am glad to hear that most of the matters between you and the government are disposed of. Past experience will have taught you to have everything "copper-fastened," so that a change of mind may be beyond possibility. It is impossible to trust our Ottawa friends to carry out anything they promise *at the time* they promise. It will always be thus as long as Sir John is "boss." Looking back over the past ten years I can see that we should have broken down a dozen different times, had Sir John been minister of railways and acting in his peculiarly dilatory method . . . What they have done for you now is satisfactory, but they are only giving you back what they had no right ever to have taken from us. We are still far from having got what rightfully belongs to us.

That the wave of friendliness was due to the efforts of politicians on both sides to secure the sup-

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port of the powerful and numerous friends of the Canadian Pacific does not seem to have been so obvious to Van Horne as it ought to have been. A general election was at hand. But he was no politician, had kept himself at all times aloof from politics, and, with his co-directors, had resolutely preserved the company from alliance of every kind with either of the two parties. He had no political attachments north or south of the international boundary, and his political ideals were simple. They would have been completely satisfied by the establishment of any government which assured a clean and thoroughly business-like administration. He had a high appreciation of the prompt and energetic methods of Sir Charles Tupper, but, while the company owed its being to Sir John Macdonald, he and his colleagues had suffered much from that leader's procrastination and elusiveness. On the other hand, he was attracted by the charm and winning personality of Wilfrid Laurier, the leader of the Liberal party which had for some time dropped its policy of strenuous opposition to the Canadian Pacific.

As the election drew near, Van Horne was wooed by members of both parties; and before it took place he felt himself forced to make public contradiction of views attributed to him. The issue upon which the election was fought was that of unrestricted reciprocity in trade with the

## A DOMINION ELECTION

United States; and, if he were no politician, he was first, last, and always a Canadian Pacific Railway man. Sincerely convinced that reciprocity would irreparably damage the prospects of his company and retard the development of Canada's natural resources for a generation, in a moment of impulse and self-confidence, and without consultation with any of his colleagues, he addressed the following letter to Senator George A. Drummond, the chairman of the Conservative party in Montreal:

February 21st, 1891.

My dear Mr. Drummond,

You are quite right in assuming that the statement in the letter enclosed in your note of to-day is untrue. I am not in favour of unrestricted reciprocity, or anything of the kind. I am well enough acquainted with the trade and industries of Canada to know that unrestricted reciprocity would bring prostration or ruin. I realize that for saying this I may be accused of meddling in politics, but with me this is a business question and not a political one, and it so vitally affects the interests that have been intrusted to me that I feel justified in expressing my opinion plainly; indeed, since opposite views have been attributed to me, I feel bound to do so.

No one can follow the proceedings in Congress at Washington and the utterances of the leading newspapers of the United States without being struck with the extraordinary jealousy that prevails there concerning Canada—jealousy growing out of the wonderful development of her trade and manufactures within the past twelve years.

It was this jealousy that prompted the anti-Canadian fea-

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tures of the McKinley bill. It was represented and believed at Washington that the Canadian farmers largely depended upon the United States for a market for many of their chief products and that their loyalty could be touched through their pockets and that it was only necessary to "put on the screws" to bring about a political upheaval in Canada and such a reversal of the trade policy of the country as would inevitably lead to annexation.

I have found it necessary to keep well informed as to the drift of matters at Washington, because the interests of the Canadian Pacific Railway have been threatened by all sorts of restrictive measures, and from my knowledge of the feeling there I do not hesitate to say that if the result of the pending elections in Canada is what the authors of the McKinley bill expected it would be, another turn of the screw would follow.

No comfort is to be found in the recent disaster to the Republican party in the United States. It was not the anti-Canadian features of the McKinley bill that caused this, but the heavily increased duties on many articles, the manufacture of which at home was intended to be forced. This increase of duties came at a time of general depression among the farmers and working classes, and it was resented by them. Trade relations with Canada had nothing to do with it; they were not thinking of us.

Putting aside all patriotic considerations and looking at the question of unrestricted reciprocity from a strictly business standpoint, what, in the name of common sense, has Canada to gain by it at this time?

Thousands of farms in the New England states are abandoned; the farmers of the middle states are all complaining and those of some of the western states are suffering to such an extent that organized relief is necessary. The manufacturers everywhere are alarmed as to their future and most of them are reducing their output, working on short time, and seek-

## THE RECIPROCITY QUESTION

ing orders at absolute cost, so that they may keep their best workers together.

We are infinitely better off in Canada. We have no abandoned farms and no distress anywhere; and there is work for everybody who is willing to work.

Our neighbour's big mill-pond is very low just now but our smaller one is at least full enough to keep us going comfortably. His pond requires twelve times as much as ours to fill. It is not necessary that a small boy should be a school-boy to know what the result would be if we were to cut our dam. Our pond would at once fall to the level of the other.

Even if we were suffering from hard times, we could gain nothing by unrestricted reciprocity. No man of sense would seek partnership with one worse off than himself, because he happened to be hard up. You can't make a good egg out of two bad eggs.

The Canadian Pacific Railway is far and away the largest buyer of manufactured articles in Canada; it buys dry goods and groceries, as well as locomotives and cars; it buys pins and needles and millinery goods, as well as nails and splices and spikes; it buys drugs and medicines and clothing, as well as bolts and wheels and axles; it buys almost every conceivable thing, and it is necessarily in close touch with the markets at home and abroad; it has built up or been instrumental in building up hundreds of new industries in the country, and it is the chief support of many of them; and its experience with these markets and these industries justifies my belief that unrestricted reciprocity with the United States and a joint protective tariff against the rest of the world would make New York the chief distributing point for the Dominion, instead of Montreal and Toronto; would localize the business of the ports of Montreal and Quebec and destroy all hope of the future of the ports of Halifax and St. John; would ruin three-fourths of our manufactories; would fill our streets with the unemployed; would make eastern Canada the

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dumping ground for the grain and flour of the western states, to the injury of our own northwest, and would make Canada generally, the slaughter-market for the manufactures of the United States.

All of which would be bad for the Canadian Pacific Railway, as well as for the country at large; and this is my excuse for saying so much.

I am not speaking for the Canadian Pacific Railway Company, nor as a Liberal or a Conservative, but only as an individual much concerned in the business interests of the country and full of anxiety lest a great commercial, if not a national, mistake should be made.

Stephen wrote from London:

Your political manifesto, published in Monday evening's papers, took us all by surprise. The papers here, so far as they notice it, comment favourably. Public opinion on this side is decidedly on the side of Sir John, though almost no one believes that reciprocity, limited, as proposed by Sir John, or unlimited, as proposed by Cartwright, would have the dire effect, political and commercial, which he and you foreshadowed in your respective manifestoes. People here, almost to a man, are such ultra free-traders on principle, worshipping it as a fetish, that it is impossible for them to believe that free intercourse, limited or unlimited, with the United States would not be a great boon to Canada. . . . Our C. P. R. friends regard it variously. . . . I have said to them all that I was quite sure you did not take the step without fully considering the effect it would have on the interests of the company both in Canada and the United States, and was confident events would justify what you had done. . . . I have just seen Lord Lorne. He is delighted with political letter.

No sooner, however, had Van Horne despatched

## AN ERROR IN JUDGMENT

his letter to Senator Drummond than he realized that he had made a serious error of judgment in thus taking part in an election campaign, for, despite every disclaimer, the letter was bound to implicate the company. In great distress he sought the counsel of his trusted colleague, Shaughnessy, and asked if it would be wise for him to write another explanatory letter. But the blunder was beyond repair. No explanation would extinguish the intense animosity of the Liberal party which, if it came into power, would leave nothing undone to hamper and harass the company. In these circumstances he was advised that the only course was to come into the open and render all possible assistance to the Conservatives. This advice was adopted, and through various channels controlled by the company some effective and far-reaching electioneering machinery was organized, to which, in the opinion of competent observers, Sir John Macdonald owed his success at the polls. Van Horne suddenly found himself with a reputation for political power which he did not deserve and which he was careful to disown.

The campaign severely overtaxed the aged Premier's powers. On June 6th Van Horne wrote Stephen that Sir John was dying, and "notwithstanding his growing infirmity of purpose he will be sadly missed—his followers will be like a flock of lost sheep."

The choice of a new Prime Minister had readily

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fallen on John J. C. Abbott, who had been a director and the first general solicitor of the Canadian Pacific. The new Premier was beset by perplexities in meeting the conflicting claims of some of the Conservative leaders. Van Horne helped to prevent a breach with Sir Hector Langevin and paved the way for reconciling Chapleau, the other representative of Quebec, to the acceptance of the only cabinet office that Abbott felt able to give him. He wrote a letter to Patterson, Abbott's chief lieutenant in Ontario, suggesting the line of approach to Chapleau, which showed that he was not altogether destitute of the wily arts of the diplomatist and the politician.

A letter which at about the same time Van Horne found necessary to write to William Whyte, the company's general superintendent at Winnipeg, is of a different order, being thoroughly characteristic in its positive and racy bluntness. Sir Donald Smith, who was the governor of the Hudson's Bay Company, was seeking to secure the services of that energetic official to revitalize his moribund company.

Van Horne wrote Whyte as follows:

The Hudson's Bay Company is one of the most hide-bound concerns in existence. The London board is a collection of pernickety and narrow-minded men who don't know enough about business to manage a peanut stand. . . . There are two or three good fellows among them, but they

## THE HUDSON'S BAY COMPANY

don't know any *business*, and the Hudson's Bay Company is going to pot in consequence. They have killed— —and you wouldn't fare a bit better. Sir Donald is the only one in the lot who wears a hat a man's size. . . . But he is an old man and wearing his life out as fast as he can. He may be gone in a year, and then will come the deluge for the Hudson's Bay Company. . . . Their business methods are all wrong, and they are too old to change them. They are governed by tradition. They look upon newcomers in the concern as made of inferior meat. . . .

Whyte decided to remain with the Canadian Pacific, and the Hudson's Bay Company had to look elsewhere for the men who have since transformed that ancient and honourable corporation into a successful merchandising concern.

A more serious loss than that of any operating official was impending. Stephen, who, in London, had kept his finger on every throb of the company's activities and had been eminently successful in securing capital at a low cost, had expressed a wish to retire from the directorate in 1890, but had been dissuaded by Van Horne. He felt that he could now withdraw with good grace, for, he wrote, "to-day the Canadian Pacific Railway stands higher in credit and in the confidence of the British public than any other Colonial or American Railway."

"For the last twelve years," he wrote again, "I have hardly had a thought for anything else, and I hope I can now fairly claim to be relieved. If my nature and temperament were different, I

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might continue to be a member of the Board. . . . without concerning myself very much about the affairs of the company, but that is an impossible position for me, made as I unfortunately am, and I must ask you to let me out. . . . Night and day I have been unable to think of anything but C. P. R. affairs, and it will be so to the end, so long as I am in any way officially connected with the company."

This cogent appeal was met by so strong a protest from Van Horne that Stephen was finally prevailed upon to remain on the board for another twelve months.

The birthday honours for the year included his elevation to the peerage of Great Britain, and he assumed the title of Baron Mountstephen. Public opinion in Canada regarded the title as further recognition of his devoted work in building the Canadian Pacific, but a section of the Liberal press ascribed it to the British government's gratification in the result of the Canadian election and the part played therein by Van Horne, who, it was assumed erroneously, had been inspired by Stephen.

The new peer's view was different. "It has been given rather as an incentive than a reward," he wrote. The Marquis of Salisbury, in offering the peerage, had expressly stated that his knowledge of Canadian and American affairs would make his assistance valuable when questions concerning

## LORD MOUNTSTEPHEN'S PEERAGE

North America came up at Westminster. "In short, the government thinks I may be of use to them in the House of Lords, and that is the reason why I am made a peer."

Whether as incentive or reward, a titular honour was being offered at the time to Van Horne. In the autumn of 1890 he had been asked by Sir John Macdonald to accept knighthood. Although he had become a naturalized citizen of Canada, he had not, *ipso facto*, as the law then stood, become a British citizen. Moreover, he was exceedingly democratic in his attitude to titular distinctions, and he hesitated to accept. But upon the urging of Sir Donald Smith, he finally decided to do so. He did not, however, wish the knighthood in any way to hamper his liberty, and in his letter of acceptance he expressly stated, "I would not like such an honour to come to me merely because of my position as president of the Canadian Pacific Railway Company." Shortly afterwards, however, he insisted that the matter should be dropped, lest it should be connected in the public mind with the ensuing general election.

Before the close of 1891 knighthood was again offered him by Lord Stanley, the Canadian Governor-General. But again it had to be deferred, Van Horne considering it "inexpedient for the present and may be for several years to come." The cause of his second rejection of the honour

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was his belief that attacks on the Canadian Pacific were to be renewed in the immediate future at Washington, and that he would be stronger in defending Canadian interests there without such a special mark of royal favour.

Postponing thus indefinitely the honour which was seeking him, Van Horne was taking a livelier interest in promoting the erection of a new hotel. The hotels in the Rockies had proved to be profitable investments. He now desired to make the old-world charm of Quebec as favourably known to travelers as the glorious scenery of Banff and Lake Louise.

He had decided upon the old parliament grounds at Quebec as a site, and while he was asking his friends to support the new venture, he was planning the setting of the structure. It was a period of extravagant and vulgar ornamentation in hotel architecture, and in a letter to Lord Mountstephen he summed up his ideas of a hostelry where everything was to make for comfort and simplicity. He would not throw money away on "marble and frills," he wrote, but would "depend on broad effects, rather than ornamentation and detail. . . . I am planning to retain the old fortifications and to keep the old guns in place, setting the hotel well back from the face of the hill so as to afford ample room for a promenade, and I think it will be the most talked-about hotel on this continent."

## AROUND-THE-WORLD TOUR

His expectation was realized. When his plans had been carried out, the Château Frontenac rose, like a stately French Château, above the quaint old town of Quebec, and was, for a time, the most talked-about hotel on the continent.

Acceptance from the hands of its builders of the third of the company's Pacific steamships gave him another opportunity to turn his ingenuity to account. He advertised a round-the-world tour on the "Empress of India," sailing from London, *via* Bombay and Hong Kong, to Vancouver; the tourists to return to London by the Canadian Pacific Railway and Canadian ships on the Atlantic.

As the first tour of the world by steamships, and under the direction of a single company, the venture was heartily acclaimed by transportation men as a great scheme. It proved a complete success. Van Horne was at the dock to meet her when the "Empress of India" steamed into Vancouver with a full cabin-passenger list of tourists and hundreds of Chinese coolies, and with the third distinct freight cargo of her voyage.



## CHAPTER XVII

### A REAL MAKER OF CANADA

**T**HE flow of settlers into the prairies had been disappointingly small during the eighties, but the West had traveled a long way from the wilderness of 1881. Abundant harvests rewarded the farmers in 1890 and 1891, and aroused eastern Canadians to the opportunities knocking at their doors. It seemed clear to Van Horne that the country's productiveness would speedily outgrow the limits of the company's transportation system.

"The spout is too small for the hopper!" he exclaimed to a colleague, as he discussed the need of western extensions; and these he urged strongly upon Mountstephen, whose task it was to find the necessary capital.

"I feel sure you will agree with me," he wrote, "that our future is mainly in the Northwest; that we must neglect nothing in holding and developing it: and that everything in the East must be secondary to it. . . . I would rather postpone all of these than neglect anything in the Northwest."

While he was interesting himself in the development of the Northwest to a degree that it would scarcely have credited, that section of the country

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was complaining loudly of high rates and inadequate service. Remembering the struggles and hardships of the early settlers, Van Horne endeavoured to meet their wants in every possible way, but in the matter of rates he could do nothing. The railway was existing on too small a margin. His effort to secure land *en bloc* and have it subdivided to admit of farms grouped around a central village and green had failed. Nor could he persuade the authorities at Ottawa to accept any modification of the scheme designed to bring relief to "the woman who eats out her soul in her loneliness."

"I failed," he said in a letter to Rudyard Kipling, "to induce the Canadian Government to adopt this plan because such a thing had never been done before—which, as you know, is a conclusive reason with governments."

Within the limits of his authority, however, Van Horne never allowed himself to be handicapped by red tape. Live stock in the Northwest was generally of an inferior quality. He steadily encouraged the few pioneer breeders who were trying to improve it, and in order to raise the standard, he ordered the purchase and free distribution to responsible farmers of one hundred pure-bred Shorthorn bulls and as many pure-bred hogs. He encouraged also the establishment of agricultural fairs and exhibitions in Manitoba by a free carriage on the railway of all exhibits.

## RAISING THE PRICE OF WHEAT

On behalf of the farmers he crossed swords with the grain-buyers during a season when they were offering only thirty-five cents a bushel for wheat. Such a return for their toil left the settlers with nothing to meet their obligations on their land purchases from the company. They were discouraged, and being compelled to default in their payments. Stigmatizing the grain-buyers as robbers, Van Horne adopted a suggestion of L. A. Hamilton, the company's land commissioner, and instructed the agents of the company to offer fifty cents a bushel. The price of wheat immediately rose throughout the country, and before the crop was marketed the directors who had opposed this bold stroke and the indignant grain buyers had considerable amusement from it. Hundreds of thousands of bushels poured into stations and sidings. A car shortage ensued, and sacks of grain were stacked up beside the stations like cordwood. An outcry was raised in the local press against the inadequacy of the company's equipment. Photographs of the grain congestion were used to buttress complaints industriously spread by opponents of the company. Van Horne resourcefully turned these photographs to the profit of the company by ordering them to be widely circulated as advertisements of the productiveness and large crops of the Northwest.

Since the settlement with the government of the land grant question in 1891, and the deter-

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mination of the area of selection of subsidy lands, Van Horne felt the most pressing need in western development to be a more forceful immigration policy. Already the harvest of 1890, widely advertised throughout the continent, had started a stream of homeseekers from the United States, where crops had been disappointingly poor. Hamilton, who was at Winnipeg and had charge of immigration matters, came down to Montreal and asked Van Horne to authorize a very low passenger-rate to induce more of the homeseekers to come in. He suggested one cent a mile. Van Horne agreed, adding warmly, "This is something I have looked forward to for years. If that rate is not low enough, the whole railway equipment is at your service. You can bring them in free."

Thereafter free transportation was actually given to hundreds of homeseekers who were expected to influence others, and the cent-a-mile rate was adopted as a general policy. Excellent returns soon becoming apparent, Van Horne wrote happily to Mountstephen: "If we get the stream fairly started our way, it will become a flood. The people in the States seldom see more than one El Dorado at a time."

In further pursuance of the same policy, he urged a reorganization of the Canada North-West Land Company, as well as a reduction in the price of land, to precipitate the flood of experienced farmers from eastern Canada and the west-

## SETTLING THE NORTHWEST

ern States. Mountstephen had already written him that few could be had from England and Scotland, except the riff-raff of cities; that farm labourers and small farmers there were so much more comfortable than they had been a few decades earlier that pioneering in the Northwest had no allurements for them. Mountstephen, realizing the importance of early settlement along the railway, was inclined to be gloomy over the prospect. But Van Horne was as optimistic as Mountstephen was pessimistic, and he brought Mountstephen and his Montreal colleagues around to his views. The price of land was reduced, and within two months he was able to send Mountstephen returns showing that the stream had actually begun to flow.

In this work the Manitoba government gave him effective aid, but although the Minister of the Interior, T. M. Daly, a westerner himself, was full of enthusiasm and good intentions, his colleagues in the Dominion cabinet were cold and indifferent to his efforts, and, fearful that American settlers would be propagandists of annexation, expressed the opinion that an influx of settlers from the United States was undesirable. Nor did the settlers greatly assist him. At a reunion of farmers largely opposed to the Ottawa government, which they still conceived to be the bosom partner of the Canadian Pacific, a resolution was moved which set forth the great hardships of

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western farm life; enumerated high traffic rates among their major grievances; and expressed the opinion that further settlement was undesirable under the circumstances until the country's wants were more adequately met.

"What this country wants more than anything else is a fool-killer," observed Van Horne, when the farmer's resolution was reported to him.

His efforts to promote immigration encountered a greater setback in widespread damage to a harvest of bountiful promise. Some of the later settlers grew discouraged and left the country. Van Horne remained resolutely cheerful and optimistic.

"I have not the least fear of the future. I regard it as certain as sunrise," he replied to an expression of Mountstephen's fears; and with characteristic ingenuity he reminded him that damaged wheat fed to swine yielded more money than the grain itself would. And of the depressing attitude of the government, "I believe we will be able to build fires enough to make the government take some active step."

With two exceptions, the company's relations, and consequently his own, with other railways had steadily improved. The Wabash Railroad was at the time one of the railways controlled by Jay Gould, and the Canadian Pacific had an important connection with it at Detroit. This road Van Horne now discovered had all along been flirting with the Grand Trunk, though presum-

## THE GRAND TRUNK AND THE C. P. R.

ably bound in common interest to the Canadian Pacific. Referring to its relations with other railways as well as with the Canadian Pacific, he pungently described it to Mountstephen as "a worn-out prostitute among railways, and I am afraid that no amount of enamelling will make it look well to the public." Before many months had elapsed he had made arrangements for a connection at Detroit with a rival railway, the Michigan Central.

Amicable relations were being established with the Grand Trunk. That organization had experienced a radical change of heart upon the retirement, in 1891, of its general manager, Sir Joseph Hickson, whose ill-advised policy had so enhanced the difficulties of Mountstephen and Van Horne in the eighties. The effect of Sir Joseph's exit was strikingly described by the former.

Hickson's resignation must, I fancy, have been as much of a surprise to you as it was to me. From what leaks out here I suspect he found it too hard to bear the reproaches of the people here (I mean the directors) for the utter failure of the policy of which he is supposed to be the author. He staked everything on the chance, which he regarded as a certainty, of his being able to bust the C. P. R. and so giving Tyler and his "guinea-pig" colleagues the opportunity of stepping in to help the government by picking up the "bits" of the C. P. R. . . . Meantime the operators in G. T. R. "chips" are very unhappy and may soon arrive at a frame of mind that will lead them to ask you to advise them what to do to save their interest in the "chips."

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This forecast proved correct, for shortly afterwards Grand Trunk shareholders in London asked Mountstephen to suggest a scheme by which the two lines could be unified and worked as one. "They seem to be ready for anything to save the concern from wreck," he cabled. "Do you think anything possible?"

Van Horne suggested that Mountstephen might become president of the Grand Trunk and modify its wildly reckless and ruinous policy. Mountstephen rejected the suggestion with some amusement, reminding Van Horne that he had been persuaded to become president of the Canadian Pacific in 1880 on the understanding that he was to have nothing to do. The business regarding construction "was to be done at St. Paul by Hill and Angus, and I to hear nothing about it."

Then, for the benefit of those consulting Mountstephen, Van Horne put his finger on the most serious of the Grand Trunk's defects in operation—a lack of coördination between traffic and operating officials—a lack of understanding of the interdependence of every branch of railway service. He defined his own policy to be "to make one train earn \$1.50 a train-mile, rather than have two trains earning \$1.00 a mile each;" he considered the Grand Trunk's policy to be the direct contrary. He declared himself opposed to an increase of rates on both lines, which was then being advocated by Grand Trunk directors in

## NEGOTIATIONS WITH THE ENEMY

London who had previously hurt both roads by their reckless rate-cutting. Eventually, however, he was persuaded by Mountstephen to agree to the arrangement, only to find that Sir Henry Tyler chose the day before the advanced rates were to become effective to tell his shareholders of the plan, adding, "We will now get all we can out of the people of Canada."

Van Horne immediately wrote an indignant letter to his colleague, declaring that since Tyler "has not kept his asinine mouth shut," he will never discuss railway business again with Grand Trunk men in London; he will deal only with their manager in Canada. He compared Tyler's remark with the famous ejaculation attributed to Vanderbilt, "The public be damned!" which cost American railroads so much public confidence.

Negotiations with the enemy were not yet ended, however.

"The voting control of the G. T. R.," wrote Mountstephen, "would hold up both hands for almost any kind of an alliance with you . . . which affords a reasonable prospect of better results from the working of their road."

Mountstephen plainly showed a strong desire to have Van Horne undertake the operation of the Grand Trunk, and the latter only overcame his personal desire to do so because he believed such an undertaking would eventually hurt the Canadian Pacific.

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"It would," he confessed, "be a matter of the most intense gratification to me. . . . It would be a fitting termination to the war they have waged upon us from the beginning. Our victory would be absolute—but profits, not pride, should govern us."

There was, however, an insuperable obstacle to the amalgamation of the two lines, namely, its effect upon the people of Canada. The country would "take fright at the practical consolidation of its two great railways," and the result would be restrictive legislation of a character similar to that of the Interstate Commerce Act. Unrestricted reciprocity was a dead issue, and politicians would surely seize upon the consolidation as a live one. Two financial houses in London, interested in both companies, attempted for a time to effect a union, and rumour, weaving blindly with the frail threads of available gossip, soon announced that the Canadian Pacific had been seeking to get control of the Grand Trunk, but had failed. This report Van Horne was able to deny with a clear conscience.

Another opportunity for expansion, which appeared to be within the realm of practical politics, made a greater appeal to him than the regeneration of the Grand Trunk. From the time of his arrival in Canada he had cherished the dream of controlling a fleet of steamships on the Atlantic, and from 1888 the subject had occasionally been

## THE INTERCOLONIAL RAILWAY

mentioned in his correspondence with Mountstephen. The Pacific service was well established, and plans were under way for its extension. By 1892 the necessity of an Atlantic service for the marketing of Canadian resources was everywhere apparent, and Canadian business men began to bring pressure on the government to increase the available shipping facilities. Sir John Abbott called a conference of railway and steamship men; tenders for a service were asked for; but nothing definite was done.

Belief was growing that the scheme could be most successfully financed and operated by the Canadian Pacific. Former antagonists of the road supported this view. Mountstephen and Van Horne, however, considered that their company could not undertake the enterprise unless it was assisted by a satisfactory subsidy from the government and by being given control of the Intercolonial line from St. John to Halifax. It will be remembered that one of the serious difficulties between the company and the government of Sir John Macdonald had arisen through the latter's failure to secure the Canadian Pacific in running rights over that important part of the Intercolonial system.

The Premier was inclined to let the Canadian Pacific take over the whole road, especially because its operation burdened the government with a serious annual deficit. This would have

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been approved by Mountstephen, who assured Van Horne that he could operate the road profitably, although no government could do so; and the profits could be shared between the government and the company. Van Horne could not at first accept this view. He desired control only over that portion of the road lying between St. John and Halifax. Realizing, however, that the people of the Maritime Provinces probably would not consent to the Canadian Pacific having exclusive control of this section, he suggested to the government that the Canadian Pacific should be given control of the line between St. John and Moncton; that the Grand Trunk be given control of the section between Quebec and Moncton; and that between Moncton and Halifax the two companies should have joint use of the line.

As the year advanced both the government and the Maritime people inclined more favourably to the idea of Canadian Pacific control of the Intercolonial in conjunction with an Atlantic service. The press spoke less of monopolies than of the advantages accruing to a territory developed by the vigorous policy of the Canadian Pacific and dotted with its famous hotels. Public endorsement of such a plan was stimulated by the announcement of a deficit of \$700,000 in the year's operation of the Intercolonial. Van Horne's own attitude changed, too, as he considered the prospects more closely. Examining the Intercolonial's

## THE INTERCOLONIAL DEFICIT

figures in detail, he wrote Mountstephen that he had discovered the cause of the deficit and saw how it could be remedied. He expressed himself as very confident that with no interest to pay the Canadian Pacific could in one year turn the Intercolonial deficit into a profit of \$500,000. He now became anxious to take over the road, made a trip through the Maritime Provinces, and returned enthusiastic and particularly impressed by "the advantages and attractions of Cape Breton, of which we had known practically nothing, and of which the people living there know very little." He turned immediately to a study of the crops which could most profitably be raised along the line of the Intercolonial and the steps which should be taken to develop the country and its resources. He visualized another "string of hotels," to bring the traveling world to the hidden beauties of the Land of Evangeline and the Bras d'Or Lakes.

The matter had made such progress at Ottawa that the Premier, on leaving for Europe for an enforced rest, informed Van Horne that he had left his colleagues, Sir John Thompson and George E. Foster, empowered to frame a definite agreement. Van Horne felt so sanguine that he began to plan a visit to England "to look into the advantages of its different ports for passenger and freight service." Before anything could be done, however, the Premier's illness compelled

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his resignation, and Sir John Thompson succeeded him. Months went by, and as nothing satisfactory came from negotiations, Van Horne was forced to the conclusion that neither the new Premier nor his colleagues favoured the proposal. Gradually all talk or thought of the project died away. The Maritime Provinces remained "on a back street," and the Atlantic service was deferred indefinitely.

It was now a year since Mountstephen's last request for relief from his duties as a director. Responsibility at all times had weighed heavily upon him. He could not, he wrote, "accept positions . . . as a figurehead and give myself no concern, as Sir Donald has the gift of doing." He now renewed his plea. At sixty-four he was not only anxious about his own health, but was solicitous also for the health of his friend. Frequently he urged Van Horne to throw more of his work on other shoulders. Van Horne, in fact, was doing so. Shaughnessy, who had been appointed vice-president and a director in 1891, was every year bearing a larger share of the responsibility of administration. But it was incompatible with Van Horne's temperament to relinquish control on anything for which he was responsible. Even if he were differently constituted, the public would scarcely leave him free, for in the public mind he and the Canadian Pacific had become synonymous terms.

The future success of the railway, Mount-

## MOUNTSTEPHEN'S RESIGNATION

stephen declared, depended only upon the increase of its net earnings. To demonstrate his own faith in its future he purposed, before his retirement, to increase his holdings in it by several thousand shares.

Recognizing that he could no longer expect Mountstephen to withhold his resignation, Van Horne was deeply affected. The temperaments of the two men had made them perfectly complementary to each other, the caution and anxious foresight of the one forming an admirable counterpoise to the imagination and constructive genius of the other, which ever impelled him forward with restless schemes for development and expansion. With a humility rarely shown by him in respect of anyone else, Van Horne from the first freely gave Mountstephen the supreme credit for the successful establishment of the Canadian Pacific. Skilled as were Shaughnessy and Clark, Osler and Angus, in their respective spheres, it was to Mountstephen's guidance that Van Horne had ultimate recourse when he was troubled by doubt or perplexity. For his judgment and high character he had the most profound respect. He had, in fact, with all the faith and warmth of his positive nature, placed his friend on a pedestal which the other, with his cool weighing of values, had deprecated more than once: "I know well how far I am from coming up to the ideal you have allowed to creep into your mind."

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Van Horne made a last appeal:

"You have been, as nearly as possible, President and Board of Directors combined right up to the present time, for we have been substantially governed by your views in all cases, however much everyone here may have opposed them. Your withdrawal would not be the withdrawal of a Director, but of the soul of the enterprise. I am speaking most seriously and in absolute sincerity."

When Van Horne finally agreed to let his friend withdraw, he revealed a sensitiveness which he rarely permitted to appear. He would, he wrote,

be unable to look upon the Canadian Pacific Railway in the future, with you out of it, as the same concern as in the past, with you in it. My unhappiness about your action is intensified by a feeling that I have unwittingly or through some misapprehension had something to do with it. From the time I first met you I have never for one minute been actuated by any other feeling toward you than one of profound regard and respect, a feeling which has grown year by year. . . . If anything has led you to suspect any other sentiment on my part at any time, I beg that you will do me the justice to let me know what it was, for I am more distressed about this than I have ever been about anything that has occurred in my life. Doubtless, in many cases in the hurry of business or amidst its annoyance I have been inconsiderate or abrupt; but surely you must have known where my heart was. I am, I hope and believe, quite incapable of anything like disloyalty.

Mountstephen, by cable and letter, instantly assured Van Horne that his action was prompted

## C. P. R. SECURITIES STAND HIGH

solely by the personal necessity of relieving himself from business responsibility, and that his withdrawal would not affect the public or the company any more than his withdrawal some time before from the directorate of the Great Northern. But no reassurances could obscure the fact that Mountstephen's retirement from the board was a most regrettable event. For several years after the construction of the railway he, and to a less extent Sir Donald Smith, had made many things possible for the company by undertaking obligations and carrying burdens which the company could not itself undertake or carry. Many desperate chances had been taken in building up the credit of the company, and as a result of the bold policy it had been forced to pursue, it had many irons in the fire. The high standing of the company's securities in the London market was directly due to Mountstephen's financial ability, and if the financier had consistently advocated a rigorous abstention from all new schemes involving additions to fixed charges and the postponement of all expenditures that would take years to become fruitful, he had given invaluable assistance to Van Horne and the Montreal directors by the most skilful and economical marketing of the securities which their new projects made it necessary to issue.



## CHAPTER XVIII

### A BATTLE ROYAL WITH J. J. HILL

**N**OTWITHSTANDING his resignation, Mountstephen continued to assist the company and to keep up a constant correspondence with Van Horne. His assistance and guidance were the more necessary because the whole commercial world was entering upon one of its recurrent periods of profound depression.

The passage of the McKinley Tariff had seriously dislocated the whole trade of Canada with the United States. In 1893 Australia experienced a terrible banking crash, which was followed by a severe stringency in the London money market. The extraordinary silver legislation of the United States had brought about an appalling state of affairs. Many American railways passed into the hands of receivers; large corporations closed their doors; banks were failing daily; currency went to a premium and could hardly be obtained at all.

Although the causes of depression in the United States did not prevail to any great extent in Canada, except the low price of wheat and reduction in travel, they could not fail to react upon the fortunes of the Canadian Pacific, and it entered upon a period of serious difficulty.

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To prepare for such a contingency, the shrewd and far-sighted Mountstephen, with the assistance of his financial friends in London and Van Horne's cordial coöperation, and with his finger on the pulse of the money market, had for three years past been strengthening the financial position of the company. He had formed the opinion that "the big mistake all American railways have made is in omitting to make proper provision for finding the new capital all railways require. . . . In fact, no American railway that I know of has taken proper steps to build up a high credit, and the result is that when they go into a new expenditure they borrow the money for six to twelve months at high interest, and in the end pile up a floating debt which destroys their credit and compels them to sell securities at ruinous rates." He and his London supporters had been particularly anxious to have the Canadian Pacific Railway organization adapted to English methods before his resignation, in order to secure it—in their belief—against any storm that might threaten the American railway world.

With Mountstephen's desire to fashion the company's financial structure upon the English plan Van Horne entirely agreed—the more readily because most of the company's capital requirements were being supplied from London. To any suggestion, however, that the administrative organization of the company—the personnel and

## METHODS OF FINANCING

scope of the executive committee of directors and the powers of the shareholders—should conform to English practice, he resolutely objected.

“The English practice,” he wrote, “is doubtless good enough in England, but it will not do here.”

The American practice which he had introduced into Canada might seem loose and unsystematic to English eyes, but with the Grand Trunk and its English system as both an illustration and a warning, he rebelled against a change, and Mountstephen agreed with him. Van Horne conceded, however, that the English system of financing railways was “as far superior to the American as the English system of working is inferior to the American.”

In pursuance of Mountstephen’s policy the company had issued consolidated debenture stock in lieu of bonds, and power was taken to issue preferred stock. But when, with a view to removing the company’s stock completely from American speculative influences, Mountstephen proposed its conversion into registered sterling stock, the placing of most of this stock in the hands of permanent English investors, and the elimination of the New York register and transfer office, Van Horne again differed from him and objected to the sweeping nature of the proposals. He argued that the closing of the New York register and the conversion of all shares to sterling stock would

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practically stop all dealings and interest in the railway on the continent of Europe, where several Dutch and other shareholders had large holdings, and that however desirable the scheme might be from the viewpoint of English investors, it could not be carried out without harm to the company. This argument prevailed.

Mountstephen was right in his assertion that the public would not be affected in the least by his retirement from the board, but its announcement gave rise to two short-lived rumours concerning Van Horne. One alleged that Mountstephen had resigned because he did not relish the task of finding money for so extravagant a management, and the other that he had retired because Van Horne had acquired an American line without his knowledge.

In the first case Mountstephen's rebuke to the imaginative narrator was so pointed that Van Horne, although he had been annoyed personally and feared the effect of such a rumour on an already delicate market, wrote in his favour to Mountstephen, "I trust that you will say nothing further to Mr.—— about the matter. . . . He is in great distress, and I think he has had a sufficient lesson."

The second rumour had reference to Van Horne's strategic move in acquiring the Duluth and Winnipeg line as a feeder to the South Shore line.

## J. J. HILL AND THE "SOO" LINES

Prior to the acquisition by the company, in 1890, of control of the "Soo" and South Shore lines, Mountstephen had calculated upon Hill securing them and maintaining a close traffic arrangement with the Canadian Pacific at the Sault. When, however, Hill had backed out of his promise to take over the lines and they passed into the hands of the Canadian Pacific, Hill showed no disposition to use them for his east-bound freight and began building the Great Northern to the Pacific coast. These developments spelled danger. The alternative to coöperation was necessarily an active competition, and Van Horne believed that not even Mountstephen's important share in financing the Great Northern would be able to save them from a contest. To settle his doubts, he had met Hill in New York in 1890 and discussed a permanent and peaceful traffic arrangement with Hill's road, which since the beginning had been treated as a friendly connection of the Canadian Pacific in Manitoba and at St. Paul. He left the meeting convinced of Hill's unfriendly intentions for the future, but with a genuine admiration for his strategical ability. Hill was not only dextrously getting out of any existing arrangement or understanding for interchange of traffic at the Sault, but would commit himself to no definite agreement for the future.

"His diplomacy is admirable," wrote Van Horne

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to Mountstephen. "I never admired him so much as on this occasion. . . . He is, of course, entitled to all the advantage he can get out of the situation. His course in the matter is precisely that which I should take if I were in his place; so I don't complain of it at all."

His admiration of Hill's diplomacy was changed to anger when he heard that Hill's eastern traffic arrangements were favouring other roads than the struggling "Soo" lines, and that he was endeavouring to secure a connection with the Calgary and Edmonton, which was being operated, though not owned, by the Canadian Pacific. He was exasperated, also, by learning that Hill was contemplating a raid upon the Kootenay country in the heart of British Columbia's mining regions and the construction of a line in British Columbia which would run to New Westminster, a few miles distant from Vancouver. Both of these regions were Canadian Pacific "territory," and a Great Northern spur to New Westminster would seriously cut into the Canadian Pacific's eastbound traffic of American freight carried by its Pacific steamships.

"I am annoyed and disgusted," wrote Van Horne in February, 1891, "at his shuffling, his evasion, and his meaningless fine talk. He is not building a line down the Sound to New Westminster because he loves us."

Hill now amiably suggested that the Canadian

## THE MINNESOTA AND PACIFIC

Pacific might connect with his New Westminster branch. Van Horne interpreted the suggestion as showing a desire for business between the two roads until Hill's own main line was completed from the east.

"Then he will knife us," he commented curtly, and proceeded to plan retaliation in advance. "Our course is simple enough. We must push on the Cheyenne branch of the Minnesota and Pacific . . . so that we may have a line from St. Paul to the Pacific as short as his."

The Minnesota and Pacific was a part of the "Soo" system, and it was soon started on its way westward to the border in a race with the Great Northern. Van Horne was determined to match Hill's efforts and neutralize his weapons of attack. The "Soo" extension would connect with the main line of the Canadian Pacific at Moose Jaw, and Van Horne planned to build a new line from that point through Macleod and the Crow's Nest Pass to connect with a series of lines which would traverse British Columbia just above the boundary. These operations would not only afford one of the shortest and most advantageous routes from St. Paul, Minneapolis, and Chicago to the Pacific coast; they would also furnish the Canadian Pacific with an alternative line through the Rockies of lighter grade than the main line, guard it against invasion by Great Northern spurs, and enable it to thrust down to

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the traffic centre of Spokane, cutting into Hill's territory as he planned to cut into that of the Canadian Pacific in the neighbourhood of Vancouver. The extension could be used as a club against both the Great Northern and the Northern Pacific, if either of those roads should deal unfairly with the "Soo" lines. He also planned to put up-to-date steamers as soon as possible on Puget Sound and add to the Great Lakes fleet.

"These things done," he declared, "we need not fear Hill or anybody else; we can boss him and the N. P. alike."

A letter from Van Horne describes the mental effect upon him of a typical interview with Hill, who had a very remarkable and Oriental method of negotiating, talking for hours away from the subject about which a man might have crossed a continent to see him.

"I tried to bring it [the subject of his visit] up before leaving St. Paul, but he 'broke through the ice,' or something equivalent to it, and he didn't get out until my train left; indeed, he ran along the station-platform for a car-length, hanging on to the rail to complete his story. I don't know what it was all about. I was dizzy."

Hill was in London when Mountstephen received this letter, occupied with the financing of the Great Northern, and "talking, talking" to Mountstephen, who reported that he also had had "three separate sessions with Hill, during which



LORD MOUNT STEPHEN

*From an original painting*



## HILL AND MOUNTSTEPHEN

he talked of everything except the main thing in his mind."

"I need hardly say to you," Mountstephen wrote later, "that my relations to the Great Northern can never by any possibility become or be made the same in character as my relations to the Canadian Pacific Railway, which have always been and always will be quite apart from all pecuniary interest in either company."

He agreed with Van Horne about the need for "safeguarding the interests of the C. P. R. at every point and trusting nothing to Hill's goodwill," but, aware of Van Horne's impulsiveness, he warned him against losing patience or temper with Hill, for the magnitude of the interests affected was so great that active hostility would be unthinkable.

"Strained relations may be difficult to avoid, but a rupture would be disastrous," he counselled.

When Hill left London, Mountstephen could assure Van Horne that future relations would be more pleasant. The financial interest of himself and Sir Donald Smith in the Great Northern was then larger than Hill's, but he had pointed out to Hill that "whatever our interests in the Great Northern might be, we could never be against the C. P. R. in any controversy with the Great Northern or with any other company, that we were bound to stand by the C. P. R., no matter what cost to our private interests." But Mount-

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stephen recognized that Hill "will never like the C. P. R. or be able to forgive it because it did not 'burst' as he thinks it ought to have done. . . in the hungry eighties." Nevertheless, he thought that with tact and a good stock of patience Van Horne could make of Hill "a reasonably good neighbour."

Mountstephen's prognosis proved correct to the extent of a suspension of hostilities by Hill for over a year, and in the interval the mollified Van Horne could agree that, even if Hill's hostility did break out again, it was based on a very human feeling on his part. The Canadian Pacific had won through to success largely through the monetary weight of Mountstephen and Smith, and their fortunes had in great part been derived from Hill's road; yet the Canadian Pacific had taken all the western Canadian traffic his road had once enjoyed and the greater traffic he had dreamed of controlling.

Notwithstanding the truce that was understood to exist, word reached Van Horne that Hill was dropping threats of what he would do "when the time comes to pay off." Mountstephen regarded these as mere outbursts of irritation, but Van Horne was profoundly convinced of the contrary. His opinion was based on reliable reports from his own and other railwaymen, and he resolved that if Hill raided Canadian Pacific territory he would "hit back harder than Hill expects."

## THE DULUTH AND WINNIPEG

A weapon seemed to spring to his hand in the Duluth and Winnipeg, a small independent road running north-westerly from Duluth toward Winnipeg, which was in serious financial trouble. The South Shore Line from Sault Ste. Marie to Duluth for two years past had suffered from the unfavourable conditions of iron-mining in the Marquette district. The future of this industry seemed very uncertain, and the South Shore threatened to become a serious burden to the Canadian Pacific. The Duluth and Winnipeg would bring to it the traffic of the new mines in the Missabe and Vermilion ranges, and although few, if any, realized then the remarkable wealth of these deposits, Van Horne felt certain that the traffic from the mines would be a valuable asset. It was, moreover, a strong defensive weapon, for it could readily be extended into the Red River district, Great Northern territory, to threaten Hill if he menaced the Canadian Pacific at the coast. Hill was anxious to control this line himself.

Negotiations had been entered into with the owners of the Duluth and Winnipeg in 1891, or the beginning of 1892, but nothing had come of them. When Mountstephen came to Canada in the summer of 1892 Van Horne and General Thomas, president of the South Shore Line, discussed the desirability of its acquisition with him. The advantages of such a step were obvious, but it was felt that the acquisition of the road would

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entail the expenditure of much more money than was available, and the proposal was indefinitely hung up. In December, however, Van Horne met Donald Grant, who had a contractor's interest in the railway and the Missabe iron mines, and who gave him such information of the valuable nature of the property as determined him on immediate action. With the authority of the executive Committee of the board, he instructed Grant to obtain control if it could be done. Grant was successful, and a fortnight later a contract was made whereby the company acquired a majority of the stock of the Duluth and Winnipeg at par. Besides one hundred miles of completed railway and twenty-five miles of grading, the purchase gave the Canadian Pacific a majority interest in 18,420 acres of iron lands on the Missabe and Vermilion ranges, as well as in 14,350 acres under mining leases, and valuable terminal properties in Superior. It appeared from the information given him to be so notable a property, even at that time, that Van Horne felt very happy over the purchase and told Mountstephen that if the company would not retain the road, he would feel perfectly content to take it over himself.

Before payment for the Duluth and Winnipeg stock had been made Van Horne learned that Hill had been quietly taking steps to get possession of the line. The construction company of the Duluth and Winnipeg had a large floating debt

## DONALD GRANT TO THE RESCUE

and was in serious difficulties. Accepting a short-term loan offered from St. Paul, sufficient to tide it over its more pressing obligations, the owners were dismayed to see Hill's engineers ostentatiously surveying a line alongside and ahead of the Duluth and Winnipeg. About the same time they found out that the St. Paul loan had come from Hill, and became panic-stricken, for they saw that the survey would prejudice all prospects of borrowing new money to pay off the loan. Circumstances plainly indicated an enforced surrender to Hill. It was at this juncture that Donald Grant met Van Horne and effected the deal with the Canadian Pacific. Hill had unwittingly driven the coveted road into the hands of his rival.

The sum of \$1,316,924 was advanced from the company's treasury in January, 1893, for the new line and its properties. A small additional sum also secured control of the Mineral Range Railroad as another feeder for the South Shore Line, about which Van Horne began to grow optimistic.

"I feel sure," wrote Mountstephen, "you have done a very wise thing in securing the control of the Duluth and Winnipeg and the Mineral Range lines. Their importance to the D. S. S. & A. . . . is very great."

Van Horne wrote Mountstephen, pointing out the large possibilities of the property, inasmuch as an extension of the line would put the Canadian Pacific "in a position to open fire in his [Hill's]

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rear." He felt that an effective check had been given to Hill's threatened invasion of the Kootenay. His letter hardly had been written before Hill cabled indignantly to Mountstephen, attacking Van Horne for securing control of the Duluth and Winnipeg. At the same time he threatened Van Horne directly with a boycott of the South Shore. Hill's exasperation was the greater because he had been on the verge of securing the Duluth and Winnipeg for himself. An attachment suit had been entered against the little road for the amount of the loan, although it was not due for two months, and but for the help of the Canadian Pacific its directors could not have met the demand. The intervention of the Canadian Pacific staved off bankruptcy and surrender.

As a solution of the growing difficulties Mountstephen now pleaded for a perpetual treaty of peace and good-will. He suggested that Sir Donald Smith, who was closer to Hill than himself, should assume the rôle of peacemaker. Then, if Hill still boycotted the South Shore, he could not justly complain if it expanded through the Duluth and Winnipeg, in order to bring in the traffic he refused it. Van Horne was eager for a friendly arrangement. He would discuss anything except a change of ownership of the Duluth and Winnipeg, and this, his intuition told him, was what Hill wanted.

Mountstephen meanwhile maintained with admirable fairness and disinterestedness his extra-

## SELF-RESTRAINT OF CONTESTANTS

ordinary position toward the two roads and the two men. Failing in his attempt to secure his condemnation of Van Horne's purchase of the Duluth road, Hill's next efforts were designed to have him commit the Canadian Pacific against any extension of the little line. This did not agree with Van Horne's plans, for, quite apart from any desire to interfere with Hill, he was contemplating short extensions of the road to secure the lumber and iron traffic tributary to it. These were the logical developments of a road still unfinished; but with these done, if Hill would not interfere with Canadian Pacific territory and rates, Van Horne declared there would be no further need of the Duluth and Winnipeg as a weapon, no reaching-out to the wheat-fields in Hill's territory east of the Red River.

"I do not regard it quite as a fault with him," wrote Van Horne, "that he sees nothing but his own property and thinks that everything in the world should be subservient to its interest: but we have got to keep an equally sharp lookout for the property that is entrusted to us."

This fair and reasonable attitude to the enemy implies a self-restraint which both Hill and Van Horne appear to have imposed upon themselves out of regard for Mountstephen and their dependence on him. The bloodless contests of American railway barons were not usually marked by personal rancour. The private relations of Hill and

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Van Horne were those of friends. Neither ever visited the other's home city without paying him a long and friendly call. Van Horne often said that he would rather trust his personal interests to Hill than to anyone else. But when their roads were touched, friendship gave way to the bitterest antagonism. Hill had greeted Van Horne's decision to build the Lake Superior section of the Canadian Pacific with an angry outburst: "I'll get even with him if I have to go to hell for it and shovel coal." When Van Horne had heard of Hill's intention to invade the domain of the Canadian Pacific, he had vowed with equal intensity: "Well, if he does, I'll tear the guts out of his road."

In February, 1893, Van Horne went out to inspect the new property and to meet Hill. Hill's reply to his offer of friendly negotiations was what he had expected, namely, a sketch of a road he was going to build east into Duluth. Bluff or threat, it evoked from Van Horne a cool agreement that Hill was of course free to do this, but that when it was done the South Shore Line would have "to go out at once and get business for the Duluth and Winnipeg"—which meant extensions into Hill's territory.

The interview proving fruitless, Van Horne entreated Mountstephen to look only to the interests of the little road and the necessities of the country it served; to "waste no time trying to make arrangements with Hill," but at once to

## A STRAIGHTFORWARD POLICY

reorganize the road financially and then proceed with the extensions. It was a straightforward business policy, as well as excellent railway strategy and one that, in other circumstances, he would have speedily put into effect. He accepted facts as they presented themselves to him, convinced that the Great Northern had no fraternal sympathy for the Canadian Pacific and that the latter should go on with its own development with as single a mind as if the Great Northern did not exist. Mountstephen, on the other hand, continued to argue that whatever the attitude of the two roads actually was, they ought to be friends. He exerted all his influence with Van Horne—and it was more potent than any other—to avert a rupture with Hill. He was occasionally moved by the former's argument for extension unless Hill immediately coöperated, just as Van Horne many times swallowed his convictions and stepped aside to parley with Hill because Mountstephen wished it.

The extensions he planned and submitted in March to Mountstephen were to be built in order of advantage and as the capital for them could be obtained. So well-placed was the new property that these extensions, estimated to cost between two and three millions, would make an important railway centre of Duluth and provide a large amount of traffic for their fleet of Lake steamers. One of these extensions was to run north-west to

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Winnipeg, and a second through the wheat-fields of the Red River valley to a connection with the "Soo" line north of St. Paul. Spur lines were to be built to the most productive iron mines. But although the financial storm of 1893 had not yet broken, the failure of the Reading and other American railways had depreciated all transatlantic securities on the London market. Mountstephen had little encouragement for the proposed extensions, and no progress could be made.

Another meeting took place between the contestants in Montreal, when it was agreed that Van Horne should draw up a definite basis for the friendly treaty proposed by Mountstephen and that Hill should decide how far he could accept it. Van Horne outlined a plan which was approved by Mountstephen and Smith, but it was not accepted by Hill. Peace seemed distant. In June, 1893, the opening of the Great Northern to the coast was celebrated at St. Paul. Here again, Van Horne, who was present with Sir Donald Smith, endeavoured to reopen negotiations. But so stoutly did Hill protest against any extension of the road that Van Horne wrote with conviction to Mountstephen, "Mr. Hill is gambling on the belief that there are enough of our C. P. R. friends interested in the Great Northern to 'choke off' any extension of the Duluth and Winnipeg." Mountstephen conjectured that Hill was reversing his policy. Having regretted his

## CUTTING FREIGHT RATES

failure to take over the "Soo" lines when he had the chance, he had now made up his mind that he could not prevent the South Shore extending westward and would grin and bear it. At the same time he could not bring himself to consent to any agreement that was likely to benefit the South Shore system, no matter how great might be the advantage of such an agreement to the Great Northern.

It was now rumoured that the Canadian Pacific was hastening plans for the extension of the "Soo" to Spokane. Meanwhile the Great Northern flung down the gauntlet to all rivals by reducing freight rates, and Van Horne predicted to Mountstephen that this action would speedily result in the bankruptcy of the Northern Pacific. In his February interview Hill had forecasted this as a result of the Great Northern reaching the coast. The vigorous entry of this new giant into the transcontinental field was felt by all the Pacific lines. If the Northern Pacific suffered more from the reduction of rates than the Canadian road, the latter had also to complain of an arbitrary breaking of traffic agreements and the withdrawal of ticket reciprocity, together with a blunt refusal to carry passengers ticketed to the Canadian Pacific's steamers to the Orient. Summing up these evidences of Hill's exhilarated sense of power, Van Horne wrote Mountstephen, "Mr. Hill seems to be like a boy with a new pair of boots . . .

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bound to splash into the first mud-puddle so that he may have an excuse for showing their red tops."

## CHAPTER XIX

AN HONORARY K. C. M. G.

THE struggle between the two roads increased in intensity, "the Great Northern fighting furiously," but neither Hill's rate-cutting nor his boycott seriously hurt the Canadian Pacific, and in August Van Horne could report to London that "Hill is decidedly getting the worst of it." The Northern Pacific, however, went into a receivership, and while Van Horne was expecting a renewal of hostilities between it and the Great Northern, Hill was getting hold of the bankrupt road and was in treaty with the Morgan house and the Deutsche Bank for its reorganization. Before the year closed it was in the firm control of its more vigorous and combative neighbour.

Failing to bring the Canadian Pacific to its knees by a traffic war, Hill, who was now a commanding figure in the railway world, turned to other weapons of attack. He tried to get other railways to join him in the boycott of the road and exerted his influence at Washington to induce Congress to revoke the bonding privileges accorded to Canadian railways. And not disdaining more questionable methods, instigated the insertion of attacks on the company in a New York

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newspaper. He quickly dropped these weapons, however, on receiving a message from Mountstephen, that "anything so inconceivably senseless would compel me and my friends to withdraw all connection with the Great Northern Railway."

The contest now began to die out. In September Hill intimated his desire to meet the other trans-continental roads and reconsider rates. Van Horne, who could now describe the Canadian Pacific as "top dog in the fight" and Hill as "getting down from the high horse he has been riding for two or three years," refused to attend any meeting with the Great Northern until that road had restored rates.

These various difficulties reached a solution, but the Duluth and Winnipeg remained a bone of contention. Returning from England in November, Van Horne learned that Hill's surveyors were prospecting along the line he had indicated to Hill as the probable route for his extension. He met this move at once by ordering out a survey party to secure and file plans of the route. He negatived a proposal from Mountstephen that Hill be allowed to purchase, if he would, the rather burdensome South Shore Line and this coveted Duluth road with it. This entailed too great a risk, for with Hill once at Sault Ste. Marie, the Grand Trunk, already at North Bay, would soon be there to meet him, and the company's "Soo" line would be the subject of fresh contests.

## HILL IN LONDON

Setting this scheme aside as undesirable, Van Horne worked out a plan of reorganization of the Duluth and Winnipeg. With the reorganization effected, the Canadian Pacific would be ready to build whenever capital became available. Mountstephen, who later agreed to extension as the wisest policy, now decided, however, that the serious financial depression prohibited construction of any kind, and Van Horne had perforce to wait.

While the controversy rested there, Hill arrived in London. He was amicable in his attitude to everything pertaining to the Canadian Pacific, and particularly interested in the soft iron ore deposits west of Lake Superior, but he steadfastly avoided discussing with Mountstephen the little Duluth road which tapped this promising region. But the latter so persistently pressed the need of a friendly arrangement between the two systems that he left with a definite promise to draw up a new basis of agreement, as Van Horne had once done for him.

"I have told him," wrote Mountstephen, "that I cannot and will not do anything to try and persuade you to accept any agreement or settlement that you do not think to be in the interest of the C. P. R. Company, or rather the South Shore, to accept, because of my personal interest in the Great Northern, just as I could not ask him to refrain from doing anything he

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thought good for the Great Northern, because of my interest in the C. P. R.”

When Mountstephen came to Canada in June, 1894, Hill met him. He had changed his mind since March, had no agreement to propose, and was disinclined to discuss the matter.

“He is an adept at wearying out an opponent,” wrote Mountstephen, analysing Hill’s “Fabian tactics of delay.”

Van Horne had passed the stage where he could analyse his rival’s policy. His patience was at an end, but without the support of Mountstephen and Smith he could not move a step in the execution of his own aggressive policy and could only assent to Hill’s request, on parting, that he should submit a fresh proposition.

“I promised to do so,” wrote Van Horne, “and then taking me affectionately by the arm, he said, ‘Van, it is a very nice thing that although we disagree about business matters, our personal relations are so pleasant we would do anything for each other.’ ”

He had kept himself severely under restraint through this interview with Hill, for he was inwardly incensed at the “most scandalous and false statements about the C. P. R. and its chief officials,” which were stated to have been made on Hill’s authority and which had been repeated to Mountstephen. He could not hit back in view of the peculiar position of the Canadian Pacific

## AN UNSETTLED DISPUTE

and of his own friendship with Mountstephen, who pleaded, as so often before, that "in view of the interests at stake" they should pass the matter over quietly.

"We must," he wrote, "brace ourselves up to ignore them until a fit time arrives for letting him know that we are aware of all his malicious acts towards yourself and the Canadian Pacific Railway."

In the light of these incidents it must have been rather bewildering to Van Horne to receive two months later from Mountstephen a long letter exclusively given to praise of Hill, his economical management, and unique devotion to his road. Mountstephen had just visited St. Paul, where he found the Great Northern in such a satisfactory condition that his shareholder's heart naturally expanded in admiration of Hill's financial and administrative ability. Following this letter in August, 1894, Van Horne's correspondence with Mountstephen reveals a decided disinclination to touch upon the Duluth and Winnipeg or any matter in dispute between Hill and the Canadian Pacific. The plan he had promised to Hill was presented in due course, but nothing more was heard of it; and the dispute over the Duluth and Winnipeg remained unsettled.

Extensions of any kind were, indeed, impossible. The commercial depression of 1893 grew more severe in 1894. Business was paralysed over the

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whole western half of the continent. Every resource of the company had to be husbanded to maintain its credit. Though suffering less than American transcontinental lines, it was specially affected by heavy snowstorms, an abnormally low price for wheat which caused the farmers to postpone marketing of their crops, and unprecedented floods in the valley of the Fraser. Large stretches of track were carried away, bridges destroyed, and the roadbed washed out of existence. Traffic to the coast was blocked for forty-one days. When Van Horne rushed out to the scene of disaster he was obliged to complete his journey over the Great Northern. Reaching, at length, the flooded district and seeing the extent of the devastation, he exclaimed, "Hell! This means all the money in the treasury gone!"

Macnab, the engineer who had brought him there, stood near. He spoke up loyally. "Well, sir, we'll run the road whatever comes." And twenty years later, he added, "Salary or no salary the boys would have stood by the Old Man! He had a great hold on us."

Heavy advances had to be made to protect the Soo and South Shore lines, which caused Mountstephen to deplore their acquisition. Van Horne consoled himself, and tried to console his friend, with the assurance that the cost of holding them would never equal what the loss would have been had they passed into rival control. Salaries of the

## HARD TIMES

company's officers were reduced twenty per cent. or more. In many places one man was required to do the work of two. The bankruptcy of the Atchison road had knocked the bottom out of the investment and stock markets.

"A dollar looks as big as a cartwheel," he said, harassed by Mountstephen's continual expressions of fear and exhortations to economy.

No sooner was one ground of fear and criticism explained away than another was put forward. Van Horne's outlook was more hopeful. Canada was a land of such natural resources that its people could meet any conditions whatever and "always catch up in a year or two."

But his confidence had no effect on the money market, and quotations for the company's stock continued to fall in the general decline.

Confident that business would revive in 1895 and that the company could meet what he called the "backwash of the panic," Van Horne planned to take a few weeks' rest. The strain of the past two years had been particularly irksome. Deprived of the incentive of carrying out new schemes and developments, he had had to submit to a regimen of parsimonious economy which was made the more distasteful by the continual but justified expressions of anxiety concerning the company's financial position which reached him by every mail from London. He decided to go to Europe to confer with Mountstephen for a few days; then

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to proceed to Southern Europe, where he could refresh himself with the works of the great masters and get rid of some bronchitis which troubled him.

The year just closing had been marked by royal recognition of his services to Canada. The knighthood offered to him in 1891 and again in 1892, and deferred at his own request, was again offered and accepted. The birthday list of honours announced his appointment as an Honorary Knight Commander of the Order of St. Michael and St. George.

Although appreciative of the distinction, Van Horne found its use at first displeasing. As he walked down to his office on the morning his knighthood was announced, he was accosted with congratulations by one acquaintance after another. The old attendant in the entrance hall to his office, who for years had greeted him with a friendly salute, now made him a low bow with a deeply respectful, "Good morning, Sir William!" This suggestion of servility was the last straw.

"Oh, Hell!" he muttered, and walked hastily away from the possibility of further encounters.

His acceptance of a knighthood gave colour to the assertion that he had lost all love for the United States and was now to be counted against her; and was used to bolster up attacks on the Canadian Pacific and the bonding privileges. On March 14th, 1896, he wrote to Charles Dana, editor of the

## KNIGHTHOOD

"New York Sun," a journal that frequently attacked the Canadian Pacific:

In your issue of yesterday you refer to me as "originally an American but now a fierce Tory hater of all things American." I protest that no act or word or thought of mine has ever justified such a statement. I am as proud of the United States as you are, Mr. Dana, and I know that this is saying very much. For many years I have been entrusted with important interests by the Canadian Pacific Railway Company and I have done my best to protect and develop these interests. Would you have me, even as an ultra-loyal American, do otherwise? Pray put me down not as an enemy of things American, but as one who loves the Canadian Pacific Railway.

He considered it expedient a fortnight later to send a fuller explanation to A. C. Raymond, the company's representative at Washington:

Since so many Americans seem to think that expatriation should only work one way and since my own case is frequently referred to in attacks on the C. P. R., I would like you to understand the facts . . . so that you may be able to explain them if need be.

The Canadian laws in this regard were framed with the object of inducing Americans residing in Canada to take part in public affairs. They are not required to forswear their allegiance, as is the case in the U. S. On taking an oath in substance to observe the laws and "give information concerning the Queen's enemies," they become entitled to the rights of citizens of Canada, and the law provides that on their return to the country of their birth to reside permanently, they shall be absolved from all obligations under the oath they have taken.

In short, they are only required to be loyal to the com-

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munity in which they have come to reside as long as they remain. The most ultra of the Americans here have seen nothing objectionable in it, and nearly all have taken the required oath.

The title conferred upon me was an honorary one. In this I was not recognized as a British subject, but as a foreigner who had rendered service to the country. My title is "Honorary" K. C. M. G., and no British subject has ever been given this. Two dozen or so sultans, pashas, etc., have it. I would have been churlish to have refused it in this form, and I think it is something that most Americans would be proud of—indeed, that they should be proud of its having been given to an American as an American.

Commercial depression was still grave when Van Horne returned to Canada in February, 1895, and for the first time since 1883 the company was compelled to omit the declaration of a dividend. Mountstephen felt impelled to counsel his friends to sell the stock which he had advised them to buy in more propitious days, and it fell to a price of \$35. It might have gone lower, but for the purchases of German capitalists who were guided by one of Van Horne's friends, Adolph Boissevain, a Dutch financier whose firm had long been interested in the company. He had come out to Canada and spent a day with Van Horne before a large map of the country, and had listened to him while he sketched, with a positiveness of vision that many regarded as inspiration, the future of Canada and the Canadian Pacific.

During the summer Van Horne could feel some

## AN OPTIMIST

indications of a revival of business. The crops were disappointing, but new mines in large numbers were being opened up in British Columbia and the Lake Superior District. In October he returned from a tour of inspection of the main line, which he said was the most satisfactory he had ever made. "All the clouds in our sky seem to have disappeared," he wrote Boissevain, and began to make plans for securing the necessary rolling-stock to move the traffic which was bound to come. Throughout the depression the road had been kept in first-rate condition and had continued to undergo improvement, but equipment had been skimped to avoid capital outlays and to allow of some return to the hungry shareholders. When, in midsummer, he brought the need for new equipment before Mountstephen and his London advisers, they seemed to doubt the need or expediency of providing it; whereupon he expressed his deepened conviction that shareholders at a distance must in the case of the Canadian Pacific, as with other railways in a growing country, "leave something to the discretion of the Board, and give the Board authority to meet emergencies as they arise, or we will very quickly find ourselves in a similar position to that of the Grand Trunk." There is even a little steel in the remark that the past two years, "while affording some valuable lessons, have given me a chill, and it is quite possible we may make a

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mistake by over-caution which will be as costly as any that may have been made in the other direction."

Van Horne was piqued by the restraints on development and operation imposed by the necessity of shareholders and by the security market. This undoubtedly coloured his suggestions to the editorial management of a western paper in which the company was interested. He asked, as a matter of policy, for "a little dig at the C. P. R. now and then. . . . We should be denounced in unmeasured terms for paying dividends and failing to provide enough rolling-stock to do all the vast business of the country. . . ."

The company's control of the "Manitoba Free Press" had been acquired some years earlier when every line of trenchant abuse written about the Canadian Pacific was utilized by its enemies to prejudice its financial standing, and when Winnipeg was intensely hostile to the road to which it owed, in greatest measure, its growth and prosperity. W. F. Luxton, a gifted journalist who had founded the paper, was a keen antagonist of the company. The absorption of a weaker rival by the "Free Press" led him into the error of making his enterprise a joint-stock company. This gave the Canadian Pacific an opportunity of obtaining a proprietary interest, Sir Donald Smith and Van Horne representing the company. Lest the connection of two Canadian Pacific directors with

## THE "MANITOBA FREE PRESS"

the journal should give rise to unfavourable comment, it was kept secret, or at any rate as secret as such transactions ever remain—the connection was disclaimed, but no well-informed person credited the disclaimer.

Luxton was essentially a man of the people, a sincere radical opposed to corporations generally, and Van Horne found him an intractable associate.

"Our attempts at steering him have not turned out very well," he said. He seems to think that abuse of the N. P. and M. Railway and Joe Martin is ample for what we have done."

Openly accused of editing a C. P. R. organ, Luxton persistently attacked members of the Manitoba government when Van Horne was endeavouring to establish friendly relations between that government and the company.

"I don't care a curse for the political side of the question," he wrote, with his customary frankness to Luxton. "The interests I have most at heart are at stake—the interests of the C. P. R.

Chafing at the restraint put upon his independence, Luxton, without consulting the shareholders who controlled the journal, entered into secret negotiations for its reorganization with men who were agents of the Manitoba government. The negotiations quickly came to Van Horne's knowledge, together with statements that Luxton, perhaps inadvertently, had betrayed to the agents of the Manitoba government the interest held in

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the journal by the Canadian Pacific. The result was the removal of Luxton from the editorial chair of the paper he had built up, and to which he was as deeply devoted as was Van Horne to the Canadian Pacific. Van Horne believed Luxton, who left the "Press" an embittered and disappointed man, to have deliberately betrayed their friendship and business confidences. "The evidence, to my mind, would have hung a saint," he wrote him.

His resentment did not last, and he had dismissed the matter from his mind when, after a considerable lapse of time, Luxton put his pride in his pocket and wrote him that he wished to go back to the paper. His successor was about to be replaced, and his old chair beckoned to him. Van Horne expressed his appreciation of Luxton's approaching the subject "direct and man-fashion," but could not get him reinstated.

A year later, in response to another appeal, he wrote:

"I am prepared to say further that, as I have already intimated, I will be glad to do what I can toward restoring your connection in whole or in part with the F. P. . . . The antagonisms you have been so unfortunate as to create are pretty strong, and they can't be removed in a moment."

Finally, through Van Horne's efforts, the business manager of the "Free Press" was empowered

## ADVICE TO EDITORS

to approach Luxton with an offer to return to the journal. The terms of the offer were such as to meet with a proud refusal by Luxton, who sent Van Horne a copy of the letter he had written the agent. This brought from Van Horne as brutal a letter as he ever wrote.

As soon as Winnipeg's antagonism to the Canadian Pacific had given way to a better understanding, the company relinquished its interest in the journal, but while Van Horne was concerned in its editorial policy, his injunctions to its various editors betrayed a lively sense of journalistic problems.

"Strength and incisiveness in the editorials . . . an accurate and breezy local column . . . an ample personal column," for "the personal column in a local paper is something like a lottery and popular in proportion to the number of chances of being mentioned in it."

He talked to editors in the same blunt terms he used with railwaymen. He assured one whose efforts were characterized in the community as being "milk and water" that "the people of Manitoba didn't care a damn for a long editorial on some social question in England, or the Tarte charges at Ottawa, and faraway things of that kind; brief references to those things were all well enough, but they wanted something nearer home, and more virility and pungency." He suggested that a newspaper in a new country should

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advocate the most up-to-date ideas of town-planning, with broad main arteries and adequate laterals, but whatever the policy it fathered, it could only succeed if it were "aggressive, and not defensive. It should speak more as if it had a purpose in this world than as if the reason of its existence had to be justified. . . . The people of this country, especially those of the West, like the sound of the whip-cracker!" He would be glad to have the "Free Press" attack the government and the company for their inactivity in promoting immigration, for "the attacks will give us an opportunity to show what we are doing, and what the government is failing to do."

A fine harvest in 1895 improved the earnings of the company, which was soon able to resume the payment of a dividend on its common stock. But a general revival of trade was checked by the Venezuelan boundary dispute and Cleveland's "shirt-sleeve" message. The channels open to him at Washington enabled Van Horne to forward to Downing Street through the Canadian government a report on the attitude of Congress. Great Britain's refusal to arbitrate her claim to the Schomberg line would mean war.

The situation was critical during the winter of 1895-96, and Van Horne believed that Canada should at least consider the possibility of being suddenly involved in war. He pressed upon the Canadian Premier, Sir Charles Tupper, the need

## TORPEDO-BOAT TRANSPORTATION

of securing adequate military maps of the eastern states contiguous to Canadian territory, as Canada's chief line of defence would lie there.

The United States War Department was equally foresighted. When Captain Arthur Lee, R.A., came out from England to make a military survey of the St. Lawrence valley above Montreal, he found that the Canadian canals had been surveyed by American military engineers, evidently with a view to interrupting their use in case of war. He came to Van Horne with a scheme to transport torpedo-boats by rail from Quebec to the Great Lakes. The latter worked out the plans with his officials. He declared the scheme was practicable, and that the boats could be transported on special trucks and delivered within forty-eight or seventy-two hours after notification.

Captain Lee forwarded the scheme to England, where it was buried in the Admiralty pigeon-holes for a year. Nothing was heard of it until, at Van Horne's instigation, Sir Donald Smith stirred the Admiralty and the War Office to a consideration of the plan. It was accepted by both as a valuable alternative to water transportation, and the thanks of the British government were conveyed to Van Horne through General Gascoigne, and promptly disclaimed by him in favour of the young officer who had originated the scheme.

The crops of 1896 were not nearly so bountiful as those of 1895, and a general election also ham-

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pered the restoration of business activity. The Conservative party had held power since 1879, and the government was suffering from the apathy and feebleness of senility. As early as 1893 Van Horne had prophesied that "unless there is a radical change in the personnel, as well as the policy of the present government, it is absolutely certain to go down at the next election. . . . It isn't the National policy—it is general disgust and want of confidence."

The relations between the company and the government were entirely amicable, but the government's treatment of the company had been anything but friendly and its laissez-faire attitude to immigration had given constant vexation. The election was fought with the Manitoba schools question as the main issue, and both the company and Van Horne declined to assist the Conservative party although they were accused in many quarters of doing so.

"We are keeping clear of the fight," he wrote Mountstephen, "and I don't think we have anything to fear from the Grits if they get in, for it is on their slate to prove that theirs is the party of progress."

As the election drew near Joseph Martin charged the company with partisanship. Van Horne assured Laurier, the Liberal leader, "I am doing my best to keep on the fence, although it turns out to be a barbed wire one."

## DOMINION ELECTION OF 1896

There was one exception to this neutrality. Hugh John Macdonald, the son of the "Old Chieftain," was the Conservative candidate for Winnipeg. He was one of the company's counsel and a personal friend of its officers in that city; and they supported him more or less actively against an opponent who retained a lingering resentment to the company, arising out of its early quarrels with Winnipeg. Van Horne was taken to task for this support by a Liberal politician, and retorted: "When we undertook to maintain a position on the fence, it was not to be implied that we could not get down and kick any individual who might throw stones and rotten eggs at us. We hold ourselves free to do that, and neither the Liberal nor the Conservative party have a right to object."

Laurier won a sweeping victory at the polls, and was at once in difficulty in distributing a dozen cabinet seats among twenty strong claimants. Van Horne was specially interested in having a man at the head of the Department of the Interior who would put forward a vigorous immigration policy. He advocated the appointment of Clifford Sifton, and deprecated a proposal to leave him in Manitoba until a settlement had been made of the schools question which he and the Manitoba Premier, Greenway, had largely contributed to bringing into the political arena.



## CHAPTER XX

### END OF A LONG-DRAWN-OUT FIGHT

**A**FTER four years of depression, 1897 witnessed a flowing tide of prosperity. A great majority of the established farmers in the Northwest realized in that one year more from their crops and cattle than their lands and improvements had cost them. The discovery of extraordinary deposits of gold in the Yukon territory contributed appreciably to the general improvement, and the traffic of the Canadian Pacific was largely augmented through the rapid development of mining in British Columbia and the Lake-of-the-Woods district. The sudden increase of business necessitated great additions to rolling-stock, elevators, terminal facilities, mining spurs, and sidings. At last Van Horne was able to proceed with the construction of the line from Lethbridge through the Crow's Nest Pass, and during the year it reached a point within twelve miles of the summit of the Rockies. Lines were acquired and extended in southern British Columbia. Steamships were purchased to ply between Vancouver and the Yukon. The new government, with Clifford Sifton as Minister of the Interior, was prosecuting a vigorous immigration campaign,

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the success of which was greatly stimulated by the renewed prosperity of the farmers.

But there was one cloud in Van Horne's firmament, for during the year the Duluth and Winnipeg changed hands and its control passed over to Hill. That little road had been acquired on the eve of the great depression which upset the commercial and financial well-being of the whole continent, and consequently had not at once an opportunity to demonstrate its full worth. But those who had doubted its value, he wrote Thomas Skinner, a London director, in 1895, would learn within a year that "to lose it would have been an irreparable mistake. . . . Our misfortune with that and with the 'Soo' extension was that the bottom unexpectedly dropped out of everything just as we had got them beyond recovery. I have not for a minute doubted the wisdom and the necessity of these two things; but one cannot say much in defence of anything of the kind during such sickening times as we have just passed through."

Apart from the difficulties resulting from Hill's resentment, Van Horne and his colleagues had often had cause to regret the acquisition of the property. Its value as a defensive weapon against encroachments by Hill's lines was unquestionable, and although it became apparent that Van Horne had been seriously misled as to the condition and earning power of the railway when it was taken

## THE DULUTH AND WINNIPEG

over, no mistake had been made in regarding it as a prospective feeder of the first importance to the South Shore. But large outlays were necessary to develop it into a paying property, and the company was without the means to provide for such expenditures. Moreover, the payment of the purchase price had seriously crippled the company's financial position and had been the prime factor in compelling the directors to pass the dividend for the second half of 1894, when the shareholders had been assured that a fund was being maintained to meet dividend requirements. Notwithstanding Mountstephen's unwavering loyalty, this consequence of the transaction had weakened his confidence and that of his London friends in Van Horne's administration.

In 1896 the Canadian Pacific had little or nothing to show for its expenditure on the Duluth and Winnipeg but lawsuits arising out of foreclosure and reorganization proceedings, and it was clear to the directors that it could only be made an effective traffic-producing line by the outlay of many millions of dollars for the purchase of iron mines, the construction of a second track, and betterments. All of these things Hill did after he had purchased the road. He was fortunately able to do them; such expenditures were then, and for several years, altogether beyond the resources of the Canadian Pacific. Angus and Shaughnessy met Hill in New York and started

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negotiations for a sale which was eventually carried out on terms that promised eastbound traffic to the "Soo" and South Shore from Hill's western lines and trackage rights over the Duluth and Winnipeg if the South Shore were compelled to extend northward. Van Horne opposed the sale of the road, but found himself under the disagreeable necessity of arranging the terms of its sale to Hill.

Since the transaction had to be carried out, Van Horne was anxious to secure the best possible traffic arrangements. But the negotiations were repugnant to his spirit. In the course of them he wrote Mountstephen, in June, 1896, reminding him that the road was in such excellent condition that it would soon repay its cost, and the company could retain control without expense.

"I doubt," he said, "if we will ever be safe in parting with the road on any terms—it holds so much of importance for our future."

This was the last protest wrung from his reluctance to carry out his colleagues' wishes, and in April, 1897, he cabled Mountstephen, "You will be glad to hear D. and W. matter settled satisfaction everybody." The long-drawn-out fight was over.

Van Horne could happily turn from the depressing subject of the Duluth and Winnipeg to find some compensation and pleasure in the various developments necessitated by rapidly increasing

## THE VALUE OF IRRIGATION

traffic. The rush to the Klondike had created a world-wide interest in Canada, and its resources becoming better known, settlers flocked in large numbers to extract the richer gold of the prairies. The semi-arid region between Calgary and Moose Jaw began to come into its own. Since the construction of the road this region had been regarded as fit for grazing and for little else. Early in the eighties Van Horne had provoked ridicule by stating his conviction "that every mile of this country will yet become an asset to the Canadian Pacific." This statement was disputed, or set down laughingly as "one of Van Horne's boom stories." Urged to apply to the government to be allowed to select land outside of this semi-arid belt, where part of the original land-grant lay, Van Horne had persisted in his faith that the land would prove to be particularly valuable if irrigated. Now, in 1897, experiments at Moose Jaw and in southern Alberta vindicated all that he had prophesied concerning the fertility of the soil under a system of irrigation.

Van Horne's friendship with many of the leading members of the United States Senate gave him unusual facilities for ascertaining their attitude to international questions of the day, and the new Canadian government frequently used his services in order to obtain an insight into the plans of their neighbours at Washington. They appealed to him when, confronted with the drastic

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Dingley tariff, they instituted a preference for British goods and conveyed a standing invitation to the United States by providing for reciprocity in the case of any country admitting Canadian goods on terms as favourable as those of the Canadian tariff. They were anxious to learn whether these measures would be met by an offer of reciprocity or by reprisals. The latter might take the form of cancellation of the bonding privileges of Canadian railways. Van Horne, acting very much as a quasi-ambassador between the two countries, was able to inform the Canadian government, early in 1897, that there was no likelihood of the United States entertaining any proposals of reciprocity.

The exploitation of the Klondike and the Yukon territory gave rise to another international question, the determination of the Alaskan boundary, and the first approach to a settlement was made through Van Horne.

"The authorities at Washington," he wrote the Canadian Premier in December, 1897, "wish to consult with the Dominion authorities concerning Yukon matters, and, among other things, I understand that they wish to get permission to send United States troops to the Fort Cudahy district through Canadian territory. This will afford a good opportunity to open up the other two questions Mr. Sifton is so anxious to have settled, namely, the bonding and Mounted Police

## AN ATLANTIC STEAMSHIP SERVICE

questions. I have suggested to friends in Washington that Mr. Sifton should be invited to come there within a few days, and I am very sure that this will be done, for they have already asked me to find out if he will be willing to come."

A joint High Commission was appointed to settle the boundary dispute, and returning from Washington in July, 1898, Van Horne could add this postscript to a letter to Sifton, "Just back from Washington. Nothing but brotherly love there now."

Since the failure of the negotiations for running-rights over the Intercolonial Railway, the question of an Atlantic steamship service had fallen into the background, and had been only momentarily revived when Sir Charles Tupper called for tenders before the election of 1896. Now the extraordinary growth of trade brought it prominently to the fore, and the country was again looking to the Canadian Pacific for leadership. The company was unable to secure adequate tonnage from the port of Montreal, and with its nine thousand miles of railway and its steamship interests on the Pacific, an Atlantic ferry-service was becoming of enormous importance.

The project of a Canadian Pacific steamship service across the Atlantic had intrigued Van Horne's mind from the beginning of his connection with the road, and he turned eagerly to take advantage of the new demand. Recommending

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as a first and immediate step the establishment of a line of freight steamers, he seized every opportunity to cultivate public opinion in favour of adequate subsidies for a passenger service of vessels superior in fittings, elegance, and comfort to the best running to New York. At a banquet given him at the Garrison Club of Quebec, in 1898, he pointed out that Canada was about to receive an unprecedented influx of immigrants, who should be brought in comfort to the Canadian shores by Canadian ships. Instead of losing half the Canadian passenger-traffic to New York, a line of fast Canadian steamers, unsurpassed in comfort and attractiveness, would, by reason of the shorter Canadian route, capture a part of the American traffic. Moreover, it would stimulate the wanderlust of European tourists and bring them in far greater numbers to the unrivalled playgrounds of Canada and to the mysterious and fascinating Orient. He played delightedly with the idea of a traveller purchasing at Euston or the Gare du Nord a little pasteboard ticket, no bigger than an English railway ticket, by means of which he could encircle the globe, *via* Yokohama, Vancouver and Montreal, with all the customary cares of travel, such as connections, transfers, hotel accommodation, automatically lifted by the trained employees of the company. The tourist would travel like a royal personage, with every need forestalled by an attentive suite.

## A COMPLETED SYSTEM

The fast Atlantic service, however, was again pushed into the background, this time by the Boer war; and Van Horne could find small scope for his imaginative faculties in improving terminals in Montreal, Winnipeg, and Vancouver, or in carrying out the obvious developments which the growth of the company demanded.

"Have you remarked anything new in Van Horne?" asked a discerning friend. "Did it ever strike you that he has the C. P. R. almost finished now—a great work securely established, a success that no one or nothing can possibly break? And just because it is a finished thing, Van Horne positively is losing interest in it? I believe he will get out as soon as he can."

The speaker was right. The Canadian Pacific was a completed system and well started on the way to becoming the greatest transportation organization in the world. The Crow's Nest Pass line had reached Kootenay Lake and was being extended westward to the coast. The "Soo" line was prospering and able to recoup the company's treasury for the advances made to assist it through the period of depression. In 1897 Van Horne told President Underwood of that road that he had no intention of leaving the Canadian Pacific until "it was quite out of the woods." That condition was now fulfilled. It was paying substantial dividends, and its earnings largely exceeded its dividend requirements. Its stock was selling at par. Its finan-

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cial position was beyond peradventure. Its future welfare depended upon intensive development and, above all things, upon effective administration; and the details of management were becoming year by year more distasteful to Van Horne. Irresistible impulses were drawing him to private enterprises which offered new, if smaller, fields for the exercise of his creative talents. The pursuit of painting and his other artistic hobbies were making large inroads upon his time and thought. The more apathetic he became to the work of administration, the more that work devolved on Shaughnessy, who, a dozen years younger than himself, had come to be regarded among the directors and officials as the effective force in the company.

Van Horne's whole-hearted enthusiasm for his work had begun to wane when Mountstephen left the directorate. As he had foreseen and told the latter, the Canadian Pacific could never be the same to him afterwards. Mountstephen's withdrawal had coincided with a financial stringency which put a stop to railway building and made useless the planning of extensions and developments; and without these things Van Horne was unhappy. As early as 1895 he had spoken of retiring, but had been persuaded by Shaughnessy to remain until the position of the company was completely reestablished. This was now the case, and he had not even the zest of a

## RESIGNS PRESIDENCY OF C. P. R.

fight of any kind on his hands. It was useless to go to law to enforce the fulfilment of Hill's contract to give the Canadian Pacific his eastbound traffic, for such contracts were not recognized by the courts of the United States; and, as he wrote Mountstephen in October, 1898, "we have lost the only arm he was afraid of." The time was ripe for a change, and when that time arrives, rumours quickly circulate.

A whisper reached the ears of the financial editor of a Montreal journal, and a reporter who obtained entrance to Van Horne's office secured from him a qualified statement of his intention to resign. No date was named. The story was cabled to the world's financial centres. The stock markets immediately responded, Canadian Pacific dropping several points in London and New York. Confidence was restored by a denial that he was about to resign. But plans were being made for his retirement, and he was discussing with his directors the steps to be taken to strengthen the organization.

"I have enough," he wrote to a friend, "for my wants and those of my family, and just as soon as I can be relieved of the duties I owe to others in the Canadian Pacific and a few other things, I wish to retire from business entirely."

At a meeting of the board on June 12th, 1899, Van Horne resigned the presidency, and Shaughnessy reigned in his stead. As chairman of the

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board and a member of the executive committee he had no administrative duties, but he retained his office in the company's headquarters and told his friends, "I shall still hang about the old stand."

Various holiday plans, however, took shape in his mind. Japan had been calling to him long and insistently, but he deferred a visit to that country and in September set out in his private-car with a party of friends for sunny California. At San Francisco the party was entertained in regal style by J. W. Mackay of transatlantic cable fame. After a week of festivity his friends decided to return to the East, and Van Horne took his car as far south as Monterey. Arrived there, he secured a room at an hotel and, in his own words:

"I went out on the verandah and sat down, and smoked a big cigar. Then I got up, walked about the verandah, and looked at the scenery. It was very fine. Then I sat down again and smoked another cigar. Then up again; another walk about the verandah, and more scenery. It was still very fine. I sat down again, and smoked another cigar. Then I jumped up, and telephoned for my car to be coupled to the next train; and, by jinks, I was never so happy in my life as I was when I struck the C. P. R. again."

## CHAPTER XXI

### PRIVATE INTERESTS

VAN HORNE had amassed a considerable fortune since his arrival in Canada. Enjoying from the first a large salary, which was doubled after a few years of service, he was able to make numerous investments in private enterprises. He was a partner for several years in a car works in Chicago, and, prior to his retirement from the presidency of the Canadian Pacific, sold out his interest at a very handsome figure to the American Car and Foundry Company. Operations in the stock market had small attraction for him. In keeping with his natural bent, he sought for investment and profit the opportunities which are abundantly offered by a growing country of developing its resources to supply the needs of the community. Some of these, such as the Canada North-West Land Company and the Château Frontenac, were the direct outcome of the necessities of the Canadian Pacific, and milling and elevator companies were promoted by him and his associates as much to provide business for the railway as to bring profit to themselves.

Considerations such as these led him, in 1892, to start works at Windsor, Ontario, for the mining

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and manufacture of salt. As president of the salt company, which he continued to be until his death, Van Horne took a dominating part in its organization and in fighting its early battles with powerful American competitors until it obtained an established position and its product became a household word all over the Dominion. With R. B. Angus and others, and with James Ross and William MacKenzie, who had laid the foundations of their fortunes in the construction of the Canadian Pacific, he was associated in obtaining control of several tramway systems, notably in Toronto, St. John, and Winnipeg, and in converting them into modern electric street railways.

His ventures were not invariably successful. When the Kootenay District was beginning to be known for its gold deposits, he made one of his annual tours of inspection, and his train was delayed for some hours at Yale. In order to pass the time away it was suggested that the party should try their hands at washing the river soil for gold. They went down to the river and, under the guidance of an old California miner, they washed and found gold in their pans. One of them proposed that each member of the party should put \$8,000 into a hydraulic mining-plant. Several agreed, and the Horsefly and Cariboo Hydraulic mining companies were born of the expedition. These, which conducted the only placer mining operations in British Columbia, struggled along

## PRIVATE INTERESTS

for several years and were eventually wound up after much more than the original investment had been lost.

In 1897 Van Horne became interested, with General Russell A. Alger, Secretary of War in McKinley's cabinet, in the organization of a pulp manufacturing company at Grand Mère on the St. Maurice River. General Alger foresaw that the wasteful lumbering operations carried on in the United States without reforestation would result in a shortage of pulp wood, and that recourse must be had to the spruce forests of Canada to supply the increasing demand of the future. He acquired a small pulp mill at Grand Mère and the timber on a tract of fifteen hundred square miles of country, bearing white spruce of the best quality for manufacture into pulp. The falls of the St. Maurice at Grand Mère were among the finest on the continent. They would not only furnish abundant power for the largest plant, but, when developed to capacity, would furnish scores of thousands of horse-power for distribution to the factories of Montreal. These resources made a strong appeal to Van Horne's imagination, and he went enthusiastically into the enterprise. In collaboration with R. B. Angus, he organized a company known as the Laurentide Pulp Company, of which he became the president. In that capacity he took an active interest in the erection of pulp mills and power-plant, and

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in the manufacture and sale of the company's product.

In association with General Alger and Senator Proctor of Vermont, Van Horne also interested himself in another pulp and power enterprise at Grand Falls, New Brunswick; and he aided Henry M. Whitney of Boston in the organization of companies for the mining of coal and the manufacture of iron and steel in Cape Breton.

A visit to New Brunswick in the late eighties to inspect the New Brunswick Railway system and arrange for its lease to the Canadian Pacific, brought Van Horne to the little town of St. Andrews at the mouth of the St. Croix River. St. Andrews, once important for its sailing ships, had fallen into decay, but he was charmed by the exquisite beauty of Passamaquoddy Bay and its protecting islands. He purchased the greater part of Minister's Island, which at high tide was only accessible from the mainland by boat, and built a spacious and harmonious summer home. Using local materials and local labour, he was his own architect and landscape gardener, laying out roads and gardens, hedges, orchards, and bathing pools. The property consisted of some six hundred acres of farming and timber lands, and, erecting large barns, stables, and silos, and importing from Pennsylvania a herd of Dutch belted cattle, he engaged in farming operations which, if a costly amusement, supplied his household and his em-

## COVENHOVEN

ployees with the best of fresh food. He imported choice flowers and plants, and with his daughter made a special study of mushrooms, which grew in great profusion and variety on the wooded slopes of the island.

To this beautiful estate he gave the family name of Covenhoven, and declared that its inaccessibility from the mainland at high tide was an added attraction, inasmuch as his "chief object was to get away from the world." But he loved company, and his friends were few in number who could not bear witness to the charm and hospitality of Covenhoven.

Van Horne always thought in terms of bigness and liked big things: big houses, "fat and bulgy like myself," big roofs, doors, windows and big spaces; and farming a few hundred acres at St. Andrews did not satisfy his soul. In 1898 he purchased four thousand acres of land at Selkirk in Manitoba, the gateway to the prairies, and engaged in wheat growing there on a large scale, with the declared purpose of providing travelers and immigrants with an object lesson on their first view of western farming country. There he bred cattle from imported shorthorn stock.

Throughout the nineties he continued assiduously to add to his collections of ceramics and paintings and to paint many pictures himself. His collection of Japanese pottery, as one chosen to illustrate historically the development of the

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art, had become one of the finest private collections in the world. The establishment of the Canadian Pacific Steamship service to the Orient had given him a great reputation in Japan, and while his agents sought to pick up interesting examples in that country, he was from time to time the recipient of valuable gifts of jars and vases from Japanese statesmen and leading business men. By reading and by studying his own collection and the larger collections of the great museums, he acquired a special critical knowledge, in which, on the American continent, he only deferred to Professor Morse of Boston. He loved the form, the colouring, and the glazing of pieces wrought by the hands of the master-potters; and he knew them so well that when a Japanese dealer wished him to make purchases from a new collection, he was able, though blindfolded, by his hands and the touch of his fingers alone, to give, in respect of seventy per cent. of the specimens submitted, the names of the artists, long dead and gone, who had designed them, and of the kilns, now nonexistent, where they had been fired. He had confined his systematic collection of earthen ware to the Japanese, but he found delight in beauty of design and craftsmanship in every form, and his household treasures comprised many fine examples of the Moorish and other schools. He was, indeed, beginning to regret that he had not devoted to Chinese porcelains

## ART COLLECTIONS

the time and money he had given to the Japanese.

His passion for paintings was ever growing and widening. He was thoroughly familiar with the lives and work of the old masters, and he knew the history and the ownership of a very large number of the world's most celebrated pictures. He was continually adding to a comprehensive working library of critical, illustrative, and historical literature on the subject, which he greedily absorbed, and which, supported by a prodigious memory, qualified him to discuss the periods and the merits of the masters with the best of professional critics. He had spent several holidays in studying the art treasures of the great galleries and collections in Europe and the United States, and was well known to the dealers in London, Paris, and New York. A lover of beauty and perfection in every guise, he added examples of every school to his collection, but he had come to admire most the Dutch and Spanish masters. Canvases by Rembrandt, Hals, Velasquez, Cuyp, Terburg, Ruisdael, Goya, El Greco, Mauve, Renoir, Reynolds, Gainsborough, Turner, Constable, Hogarth, Holbein, Guardi, Tiepolo, Gericault, Millet, Courbet, and many others had been added to his earlier acquisitions, as well as works by famous Japanese and Chinese artists. He never tired of showing his pictures, and loved to sit before them and sink them into his soul. More

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perhaps than anything else in the world they appealed to his emotions as well as to his intellect. Art, for him, was more than a passion; it was a necessity.

Art dealers found Van Horne unique among collectors on this side of the Atlantic. His familiarity with the prices obtained in the auction-marts of London and Paris gave him almost a professional knowledge of market values, and combined with his instinctive appreciation of the merits of a picture to lend unusual weight to his opinion. His means did not allow him to compete with many far wealthier collectors, and but rarely to indulge himself with the choicest specimens of the works of the great masters. He followed his own judgment in the selection of the canvases he bought, and although he coveted examples of all masters and all schools, he weeded out of his collection from time to time any pictures which had ceased to please him.

"Never buy a picture," he said, "that you do not fall in love with, or it will always be an incubus and a source of dissatisfaction. The purchase of a picture, like the selection of a wife, can hardly be done by proxy."

The authenticity of some of his purchases was subsequently questioned by experts, and he had much amusement in argument and contention over them. Like the man from Missouri, he "had to be shown," and he placed little faith in the

## A PAINTER OF TALENT

infallibility of expert opinions. He admitted "the unpleasantness of paying a Rembrandt price for a Ferdinand Bols," but reminded experts that they did not agree among themselves; that authoritative opinion was adverse to the authenticity of several works attributed to Velasquez in the great museums of art; and that since the beginning of the twentieth century "the whole pack of old Italians had been reshuffled, and so with the early Flemish." He supported the conclusion that "pictures are inherently good or bad, and it doesn't matter a damn whether a great man painted the poor one or an unknown man painted the fine one."

Far more frequently than in the strenuous eighties he painted as the mood sized him, but always in the late hours of the night, transferring to canvas some cherished recollection of a bit of landscape that had caught his fancy weeks or months before, or elaborating a rough sketch of some sylvan scene on Minister's Island. His painting betrayed the lack of a trained technique, but his drawing was good and showed especially an intimate and loving knowledge of the anatomy and structure of trees. His sense of colour was true, but working by artificial light was sometimes productive of wrong tones which an inadequate knowledge of values prevented him from correcting. He followed no school and copied no one, striving to get the results he desired by his own

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methods. His work, therefore, sometimes naïve, was always sincere, and he painted many charming pieces, several of which became prized possessions of his friends. They were always painted hurriedly, and sometimes failed to do justice to powers which, in the opinion of the critic, Dr. August Mayer, entitle him to be considered "a landscape-painter of thoroughly eminent talent." He believed spontaneity to be the most admirable quality in art, as it is the most charming in social intercourse; and he once suggested, as a possible way to secure it, the attempt to paint at least one picture a day, in seven minutes by the watch, every day for two or three months. Persistent effort, he thought, would bring success to any normal man or woman.

"Don't be discouraged," he wrote to an amateur, "by any less than four dozen consecutive failures. When you 'get there,' it will be worth while and a joy to you forever. The knack once acquired, it will be like skating on good ice. There will be no labour or worry about it."

Whether or not he believed spontaneity or inspiration to depend on rapidity of execution, it was rather with the boyish motive, which he never lost, of displaying and, indeed, of directing attention to his unusual powers that he found as much pleasure in the speed with which he worked as in the merit of the work itself. He loved to astonish his friends with the statement that he had painted

## PAINTING "BY TELEGRAPH"

this picture or that in one, two, or three hours, or even in thirty minutes.

"Sir William," said his friend, Wickenden, who often painted with him, "wanted to paint by telegraph."

Once, when Wyatt Eaton was his guest and had accompanied Lady Van Horne and Miss Van Horne to an art exhibition, he painted a picture, framed it, and hung it. Upon Eaton's return, after an absence of three hours, he showed it to him as his most recent purchase, and as that it was quite genuinely accepted and admired by Eaton. Akin to this incident was a form of practical joke in which he frequently indulged. He would pass off his own paintings on the unwary, and especially on the pretentious but uninformed visitor, as works of one of the old masters.

His best work, undoubtedly, was done in a series of water-colour drawings of his Japanese pottery, with which he intended to illustrate a catalogue of his collection. These reproduced the form and the glazes of the originals with a delicacy and fidelity which would have gladdened the eye of Ruskin. But here again the really astonishing excellence of the drawings could not satisfy his thirst for impressiveness and surprise.

"I allow myself twenty minutes for each of these. I time myself, and expect to do three of them within an hour."

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Self-taught, he held that art cannot be taught in schools.

“The so-called Art Schools of which I have knowledge I believe to be doing more harm than good in attracting young people from more useful employment. . . . I am very much disposed to let Art take care of itself as it has always done since Art has been. I should be very much more interested in a cooking school. . . . I have never yet seen a real work of art which could in any way be traced to the influence of an Art School. Of course I distinguish between Art schools and study under a Master after an aptitude for some branch of art has become manifest.”

He reminded a young American painter, who would leave a certain big city because he had few opportunities to develop his art, but many to commercialize it, that his salvation might not lie in the picturesque West for which he hankered, but in using the materials and inspiration he had at hand, even as Rembrandt's greatest works had been inspired by his studies of Jews in the Ghetto of The Hague. Asked to contribute to the education of a young Canadian artist in Paris, he wrote:

“If the young man's sojourn in Paris, which should be useful in perfecting his art, leads him to the imitation of French ideas and methods, I shall consider this money very badly spent—and in saying this I do not mean that French ideas

## HIS STRENGTH UNIMPAIRED

and methods are not good, but that originality is a priceless jewel, and a painter who is not original is only a decorator at best."

The things which interested him and stimulated his curiosity were without number. A visitor discovered him trying to decipher the ideographs on Chinese porcelains by the aid of German-Japanese and Japanese-Chinese dictionaries. If he went into any commercial enterprise, he was at once impelled to acquire a general knowledge of the machinery and processes of manufacture, the sources of raw materials, and the cost and methods of distribution of the products. A love of flowers led him to botany and horticulture; and the purchase of cattle opened up the whole field of stock-breeding.

With his directorships, his farms, his painting and other hobbies, he had felt that he would have ample occupation for his leisure when he gave up the headship of the Canadian Pacific. His Californian holiday, undertaken in the first flush of relief from the cares of railway operation, had somewhat disillusionized him, and those who were close to him did not for one moment believe that he would settle down to a life of comparative unproductiveness. He was only fifty-six years of age, and his phenomenal vitality and strength were unimpaired.

Canadians who appreciated his powers expressed the hope that he would now enter the political

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arena. In reply to one of these he said, "Nothing could induce me to go into politics. I would as soon think of becoming a preacher." He was popularly supposed to have Conservative leanings; the Conservative party, then in opposition, was without effective leadership; and, the wish being father to the thought, both he and E. B. Osler of Toronto, another director of the Canadian Pacific, were mentioned for the direction of the party. In answering a provocatory letter from the editor of the "Toronto Globe," intended to clear the air of these rumours, he wrote:

"I have seen it stated that the C. P. R. is pushing Mr. Osler forward for the leadership of the Conservative party. We are not such idiots. Sir John Abbott stepped from our board into the Premiership, and he seemingly felt bound to prove to the country that he was free from any C. P. R. taint or influence, and adopted the course so common to weak men in such cases. In endeavouring to appear upright in regard to the C. P. R., he leaned backwards so far that he could only see the sky. No, we do not wish to see any of our Directors in the premiership. I am afraid that I could hardly trust myself in such a matter, although I have more regard for the C. P. R. than anything else in the world, aside from my wife and children."

A stream of invitations flowed in from every quarter of the continent, as well as from South

## A LOVER OF JAPANESE ART

America, Europe, and China, to participate in schemes for building railways, developing electric power, mining, and manufacturing. But beyond taking an interest in a street railway in Demerara and an ironworks in Pennsylvania, he passed them by and began seriously to plan a long cherished visit to Japan. There he was assured of a royal reception. The inauguration of the Pacific steamship service had brought him the special favour of the Japanese Emperor and government. He had the personal friendship of many Japanese statesmen, none of whom visited the United States or Canada without paying him a visit and finding that, besides his love of Japanese art, he had an unusual knowledge of Japanese history and a sympathetic understanding and admiration of their culture and national aspirations. He considered the Marquis Ito the greatest statesman of his time in any country. But the certainty of receiving a splendid hospitality and lavish attentions in Japan was not without its drawbacks. He disliked ostentation of every kind and looked forward with something akin to dread to the ceremonial observances which would mark his visit. While he was weighing the pleasures and disadvantages of the trip, his mind was diverted to an altogether different project.

The Spanish-American War had focussed the eyes of the world upon the island of Cuba, and from the day when the Congress of the United

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States demanded the withdrawal of Spain, it was manifest that American capital and energy would play an important rôle in the future development of the island. Some of Van Horne's friends—General Alger, Vice-President Hobart, Senator Proctor, and Señor Quesada—suggested that he should undertake the electrification of the Havana tramway system, which was then operated by mules. As an opportunity for investment the proposal attracted him, and he invited the coöperation of William MacKenzie of Toronto and others who had been associated with him in the organization and operation of electric railways. When, in July, 1898, Spain signed articles of capitulation, their agent was on the first passenger-boat to leave New York for Havana. But three other groups or syndicates were already in the field, and although they acquired some minor concessions, the Van Horne-MacKenzie group, after a close and bitter fight, lost the principal franchise to two of the rival syndicates. These amalgamated, and invited Van Horne to accept a seat on their directorate when they took over the concessions obtained by him and his associates.

This transaction led to a visit to Cuba in January, 1900.

## CHAPTER XXII

### CUBA AND THE CUBA COMPANY

THE railway system of Cuba comprised 1135 miles of railway. Ninety per cent. of these radiated from Havana and were owned by English companies. There were also some 965 miles of private railway lines, constructed to carry sugarcane to the mills. In what are now the three eastern provinces of Santa Clara, Camagüey, and Oriente, the largest and richest in the country and comprising three quarters of the total area of the island, there were only a little over one hundred miles of small railways. In the days of Spanish dominion everyone had conceded the desirability of a line of railway which would connect Santiago de Cuba, Camagüey, and eastern Santa Clara with Havana, the seat of the island's government and the centre of its commercial life. Every principle of politics and economics had demanded communication between the leading cities of the middle and eastern provinces and the western end of the island. But under Spanish rule the construction of such a railway was accepted as impossible. The rivers of Cuba are largely unnavigable, and settlement was confined to a narrow coastal strip. The interior was unsettled

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and undeveloped, the country being unused, save for occasional herds of cattle.

Traveling in company with General Alger, the American Secretary for War, and Elihu Root, Secretary of State, Van Horne heard them discuss the desirability, on strategical grounds, of building a railway through the eastern provinces, and also the apparently insurmountable obstacle which recent American legislation, known as the Foraker Act, had placed in the way of such a project being undertaken as a private enterprise.

Accounts given him by friends of the fertility and richness of the island kindled Van Horne's imagination, and he burned to have a hand in its development. From that moment his mind was bent upon the construction of a railway. And how to override or evade the provisions of the Foraker Act was a problem after his own heart. Many months would elapse before a convention of the Cuban people could be called and a republican government established. Until that happened there was no sovereign authority which could grant powers of expropriation for the right-of-way of a railway or permit the construction of a railway across navigable waters, public roads, or public property. Pondering over this situation, it suddenly flashed upon Van Horne that there was in all probability no law which would prevent the acquisition of parcels of land or the construction of a railway thereon by their owner. To construct a railway

## PLANNING A CUBAN RAILWAY

in small pieces in this way, without rights of expropriation or eminent domain and without any assurance whatever, beyond his own faith, that the future Cuban government would grant the necessary charter powers, involved great risks and implied great courage. But having hit upon the plan, Van Horne did not hesitate to adopt it.

On his arrival in New York he immediately consulted Howard Mansfield, a lawyer of his acquaintance.

"Do you know anything of the Foraker Act?" he asked.

"I do."

"Is there anything in it to prevent an individual or a corporation owning or acquiring lands in Cuba from building a railway on various pieces of such property, taking the chance of ever being able to operate the railway as a whole?"

"No."

"Well, then, I'm going to form a company to do that and want you to get out the necessary incorporation papers."

Van Horne's next step was to get the sanction and, if possible, the support of the American government, and, accompanied by General Grenville Dodge, he went to Washington to lay his plans before President McKinley. From a political standpoint the project had much to commend it. The construction of the railway would not only

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provide immediate employment for a considerable number of the population, but it was also the first requisite for the development of Cuban resources. When completed, it would ensure the speedy transportation of troops to the eastern end of the island and to any part of the interior and would itself be the best possible agency for the preservation of order and peace. The President expressed approval of the project and promised to do what he properly could to have it protected in law before the Occupation ended.

Within two months from his departure for Cuba Van Horne was back in Montreal, as busily occupied in the organization of a new company as he had been eighteen years earlier in the building of the Canadian Pacific. He shed like a garment the comparative apathy and lassitude which had characterized the last few years of his presidency of the Canadian road. With new and important creative work before him, he was once more in his element and completely happy. Moreover, he was now engaged on the one great enterprise that owed its origin entirely to his own initiative.

From the moment the Cuban enterprise took shape in Van Horne's mind he regarded the building and operation of a few hundred miles of railway merely as a first step to larger and more comprehensive schemes. Incorporating the Cuba Company under the laws of the State of New Jersey in April, 1900, he stated its object to be,

## A STRONG COMPANY

“to develop the resources of the Island in all practicable ways.”

He retained a vivid recollection of the checks imposed from time to time upon his plans for rapid development of the Canadian Pacific, both by the caution and conservatism of his co-directors and by the difficulty, often the impossibility, of obtaining the necessary capital. He was determined to labour under no such difficulties in his new undertaking. He would, therefore, keep in his own hands the entire control of the Cuba Company, and seek as his associates in the enterprise men who would have faith in his management and whose means were so large that they could afford to wait indefinitely for dividends, and could be relied on to furnish any additional capital that might be required. To ensure the stock of the company being retained in such hands, he fixed the capital stock at \$8,000,000, divided into 160 shares of \$50,000 each.

He found a sufficient number of “the right kind of men” with the greatest ease. The entire capital stock was subscribed within a week, and as soon as his plans became known he was obliged to dodge eager applicants for shares. On the clear understanding that his project was one of slow but profitable development, he obtained, perhaps, the most imposing list of subscribers ever associated in the foundation of a single commercial enterprise. One of these, Thomas F. Rogers, was with diffi-

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culty, persuaded to join. Ryan, who had made a large fortune in tobacco and street railways, and who was a prominent figure in financial circles as the active force behind the Morton Trust Company, thought it "a great waste of time for Van Horne to turn his back on an Empire and go chasing a rabbit; for that great constructive mind, with its decades of experience, to bury itself down in the jungle." He asked Henry M. Whitney to join with him in persuading Van Horne to drop his Cuban plans and take up something else. At a dinner given by Whitney, Ryan proposed that he and his group should obtain control of the Canadian Pacific, and that Van Horne should return to it as its president and work out immense ramifications of its existing system on both sides of the international boundary. Such a scheme would give them industrial dominion over North America and Van Horne an empire to rule over.

Van Horne would not entertain this startling proposal for a moment. It was in direct conflict with the aims of the builders of the Canadian road, and his participation in it would savour of the rankest treachery. He told Ryan that the Canadians, who looked upon the Canadian Pacific as the backbone of their country, would never allow it to pass into the control of Americans. Finally, he pointed out that it would be extremely difficult if not impossible, for any group of Americans to get control of the system, for, in consequence of

## VAN HORNE'S MASTER PASSION

the policy steadfastly pursued by Mountstephen and supported by himself, the great bulk of Canadian Pacific stock was distributed among thousands of small holders, a large majority of whom were resident in England. Ryan, who was amazed to learn that the builders of the Canadian Pacific held only a few thousand shares of its stock and had profited little from their opportunities, found the last argument conclusive and, with great reluctance, abandoned his scheme. Converted by Van Horne's magnetic persuasiveness, he agreed to join the Cuba Company and give it the support of the Morton Trust Company, which was its financial backer for several years.

Van Horne's love of the Canadian Pacific was the master passion of his life. He cherished its interests unswervingly. It was his dearest offspring, the Absalom of his loins. Three years later Ryan consulted him concerning the project of a new railway from the Kootenay Valley to the Pacific Coast. His condemnation was decisive.

"The Canadian Pacific Railway can not and will not surrender that region to any other company. . . . The only commendable thing I see in the enterprise is the prospectus, which should take high rank among imaginative works."

Having established the head office of the Cuba Company in the city of New York, Van Horne sent engineers to Cuba to make a preliminary survey. With them went L. A. Hamilton, the land

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commissioner of the Canadian Pacific, to investigate and report upon the natural resources along the route to be traversed. His next step was to purchase a large tract of land at Antilla on Nipe Bay and a little railway, the Sabanilla and Moroto, which ran a distance of about fifty miles from the port of Santiago, the eastern terminus of the projected railway. Materials for the construction of the railway were ordered, and Van Horne proposed to begin building at the end of the autumn rainy season. His prospecting engineers having returned and reported that a line could be built along the proposed route with easy gradients and through a country of remarkable agricultural possibilities, location surveys were begun in July from Santa Clara.

The Cuban government was not yet inaugurated, and the people, uncertain of the purpose of the Americans and fearful lest they had only changed masters, suspected every form of American activity. But during his visit to the island Van Horne had formed the opinion that they had a fine sense of honour and would respond to fair and courteous treatment. Therefore, before starting negotiations for the right-of-way, he employed two able and influential Cubans to go through the eastern provinces and explain the good-will and intentions of the company and the benefits which the community would derive from its operations. He also addressed courteous and dip-

## VAN HORNE AND THE CUBANS

lomatic letters to the governors of the eastern provinces, giving detailed information of the project. Invariable and impeccable courtesy was to be the keynote of all dealings with the Cubans.

“Deal with them throughout with politeness,” he instructed the chief engineer, whatever the provocation to do otherwise may be, for we cannot afford to antagonize even the humblest individual if it can be avoided. Our engineers will give the first impression of the Cuba Company to the people in the districts where they are operating, and they should seek in every way to create among these people a pleasant impression. . . . Anyone unable to control his temper and who violates the rule which should be made in this regard should be promptly got rid of. I am anxious that the people throughout the country should become impressed as quickly as possible with the desire of the Cuba Company to treat everybody with the greatest consideration and to deal with them in all matters with perfect fairness. . . .”

These methods of approach were richly rewarded. Convinced of the company's good-will and of the benefits they would receive from the operation of the railway, proprietors gave the land necessary for the railway without compensation. In cases where absentee Spanish landlords were inclined to hold out for payment, their neighbours united in creating a public opinion which forced them to a similar liberality. At the close of the year Van

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Horne told his shareholders, "so far our rights-of-way have cost us nothing beyond the salaries and expenses of our agents." When, sometime later, President McKinley asked him how he had accomplished the purchase of the right-of-way and begun to build without a charter, he replied, "Mr. President, I went to them with my hat in my hand." "I think I understand," said the President. To his friends he explained that whenever he met a Cuban, he bowed first and he bowed last.

Although possession of rights-of-way had been so easily and inexpensively acquired from private owners, difficulties were frequently experienced in obtaining a clear legal title to them. Regarding a loose system of land-titles as prejudicial to all future settlement, Van Horne recommended to General Wood the introduction of the Torrens system of registration, which was used in Manitoba and other western provinces of Canada. He urged that speedy attention should be given to so fundamental a matter, and that surveys of the land should be made and baselines and meridians established as a preparatory step to the reestablishment of agriculture. He also advocated the expropriation by the government of large areas held idle by absentee owners or on account of disputed ownership, and their subdivision and resale in small parcels to those who would immediately cultivate them. This, he thought, should be followed up by taxation of land.

## A RAILWAY WITHOUT A CHARTER

"A system of land-taxation," he wrote General Wood, "is the most effective and equitable way of securing the greatest possible utilization of lands, and affords at the same time the best safeguard against holding lands in disuse for speculative purposes. It affords, moreover, the most certain and uniform revenue to the state. Freedom from land taxation or merely nominal land taxation comes from landlordism, which you certainly do not wish to continue or promote in Cuba. The country can only reach its highest prosperity and the greatest stability of government through the widest possible ownership of the lands by the people who cultivate them. In countries where the percentage of individuals holding real estate is greatest, conservatism prevails and insurrections are unknown . . . ."

As, with a fine instinct, he found the royal road to the favour of the Cubans and discarded the sharp and rough-and-ready methods of American railway-building, so he determined at all costs to avoid antagonizing the railway companies already operating on the island. Unsupported as he was by legal authority, any other course would have been suicidal. Having no charter, he was without power to cross another railway, and he instructed his engineers to carry their line clear south of the Cuba Central Railway running north from Placetas del Sur.

While his engineers were locating the line and

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his agents obtaining rights-of-way, Van Horne was preparing for the work of construction with all his old zest for detail, and shipping construction supplies and materials for assemblage at Santiago, Cienfuegos, and Santa Clara in advance of their use. Grading was begun at both ends of the line in November, 1900, with Spanish and Cuban labourers.

The final location of the railway was on a line which, running from Santa Clara through Camagüey to the port of Santiago, would bisect the greater part of the island and serve as a trunk line for the branches running north and south which could be constructed later. It was found necessary to follow the watershed and head the streams which widen and deepen rapidly in their descent to the sea upon either side.

In 1901 Van Horne went again to Cuba, to see construction well started and explore the interior for himself. Six weeks' work and travel, which included a ride from San Luis to Nipe Bay, strengthened his enthusiasm for the enterprise. Getting off his mule at a point called Palmerito one evening, his waistcoat caught on the pommel of the stock saddle, and he fell heavily to the ground on his back. Miller A. Smith, the chief engineer, rushed up, ejaculating, "My God, Sir William, are you hurt?" "No", sputtered Van Horne, getting to his feet and dusting himself, "that is the way I always get off."

## FRAMING A GENERAL RAILWAY LAW

The company now had definite ownership of lands for terminals, construction bases and several townsites, together with a fairly continuous strip for the right-of-way thirty metres in width and about three hundred and fifty miles in length. Power to cross streams, roads, and public property was becoming a matter of pressing necessity. There were, too, a few landowners whom he could not bring to terms, and to deal with them expropriation powers were essential. A general election had been held throughout Cuba in September for the purpose of choosing delegates to a convention, to frame and adopt a constitution, and to determine with the government of the United States the relations to exist between that government and the government of Cuba. The convention had met in Havana in November, and was still engaged in framing the constitution.

With the difficulties of a charterless position ever in his mind, Van Horne had already drafted a general railway law for the island. General Wood had told him that he had thought of applying to Cuba the railway law of Texas. But this was, in Van Horne's opinion, distinctly inferior to the railway law of Canada, and he based his draft on the Canadian model. He spent several evenings with General Dodge over its revision and adaptation to Cuban needs, and submitted it to General Wood. After careful scrutiny and a few amendments by experts of the Interstate Com-

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merce Commission, it was presented by General Wood to Elihu Root, Secretary of War at Washington, who pronounced it to be the best railway law ever drawn up.

The Cuban convention adopted a constitution for the Republic of Cuba on February 21st, 1901. But before that date the necessity for expropriation powers and rights to cross public property had become acute. Van Horne went twice to Washington to plead with the President, Secretary Root, Senators Platt, Aldrich, and Foraker, and others officially concerned in Cuban relations for the immediate passage of the railway law. Friction had developed, however, between the United States government and the delegates to the convention who, standing out for unequivocal independence and sovereignty of the island, objected to incorporating in the constitution certain provisions concerning the right of intervention, coaling and naval stations, and other matters upon which the United States government was determined to insist. In these circumstances no progress could be made with the general railway law, and the Foraker Act, which prohibited the grant of public concessions or franchises, was still in effect.

Bent on carrying his project through, and stimulated, as always, by the challenge of difficulties, Van Horne evolved from his inexhaustible inventiveness a way to overcome this one. The Foraker Act said nothing about a "revocable

## A RAILWAY DIPLOMAT

licence." Might not a revocable licence be granted to a builder who was willing to assume the risk of having the licence modified or cancelled by the Cuban government after the close of American occupation? The railway would incontestably benefit Cuba. By securing the opinions of prominent Cubans on the questions at issue and communicating them to members of the Foreign Relations Committee of the Senate, he was actively promoting a better understanding between the representatives of the two peoples. The authorities in Washington had confidence in him, and they agreed that such a licence as he described might be issued.

Encouraged by their concurrence, Van Horne went to Cuba to obtain the licence from the military governor. Wishing to strengthen his case with the force of public opinion, he sent Farquhar to the island to secure petitions praying for the immediate passage of a general railway law, in order to promote the building of railways for the development of the country and to enable it to take speedy advantage of the road under construction. He devised the method of obtaining the petitions. Construction was suddenly stopped at some crossing in every municipality along the line, and the labourers thrown out of work. Farmers and merchants, as well as labourers, suffered from the interruption of the flow of American dollars and were given an object lesson

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of the benefits they enjoyed from the company's operations. They were glad to sign petitions which might ensure their continuance. These had due effect at Havana and Washington. The United States government promised to forward Van Horne's plans and the general railway law in every possible way.

Van Horne now approached General Wood and in diplomatic fashion asked for something more than he knew he would get, namely, an unconditional permission to effect the necessary crossings. General Wood was heartily in favour of the railway, had noted the petitions from the municipalities, and was sincerely desirous of helping him, but the Foraker Act stood in the way. He could grant no concessions, but promised to give the matter his most serious consideration and see what he could do. Van Horne withdrew, and hastened to the Cuban who was General Wood's confidential adviser on such matters. He unfolded to him his idea of a revocable licence, and intimated that if he and General Wood could devise nothing better, he was willing to continue construction on it. These tactics were successful. The Governor took counsel with his adviser and decided to grant the revocable licence.

Construction was resumed and continued without further interruption. Some trouble developed with the London executive of the Cuba Central Railways which opposed Van Horne's building

## RAPID PROGRESS IN CONSTRUCTION

further west than Sancti Spiritus, and still more strongly opposed his building into Santa Clara, where they had their terminus. He met these objections in a conciliatory manner, returned sweet and friendly answers, and intended to keep the correspondence going all through the summer until his line had advanced beyond all danger of interference.

Exercising an immediate supervision over the details of construction, Van Horne continued to press the passage of the general railway law and to assist the American administration in combating the doubts and fears of the Cuban people concerning the sincerity of the United States in establishing their independence. He first suggested to Secretary Root that the Cuban flag should fly with the American over the naval and coaling stations which the United States government planned to retain on the island. This was a small detail, but it had the effect of propitiating the Cubans and removing some of their objections to the stations.

With some six thousand men employed, as rapid progress was made in the construction of the road as was possible in an undeveloped tropical country. Free hospital service and medical attendance were provided for the men, and rigid rules of sanitation enforced. These combined with the wholesome trade winds to keep the men in good health, and the mortality was low.

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Streams and public highways were crossed under authority of the revocable licence, which, as Van Horne widely and publicly announced, put his enterprise "entirely at the mercy of the people of Cuba." But he was willing to do this because of his "faith in the honour and justice of the Cuban people."

On February 7th, 1902, the general railway law was promulgated by an Order of the military governor. Following its adoption, a board of railway commissioners, similar to the Canadian board, was appointed to regulate and control the traffic-rates of all Cuban railways. The railways in operation were requested to frame and submit a schedule of uniform rates and classifications. This they failed to do, and well-intentioned officials of the government compiled an intricate classification on the lines of western American schedules, which was described by Van Horne as "approximating the old Missouri classification of 'plunder and lumber.'" He assisted the commissioners in framing a new schedule, which prescribed maximum rates substantially below those of hitherto existing tariffs. This was heartily welcomed by the people, but met with vehement opposition from the established railway companies. Their directors decided to ignore it, and instructed their Cuban officials accordingly. The military governor interpreted this course as defiance of the law and the government, and threatened severe measures.

## THE RAILWAY HEADQUARTERS

Van Horne again took a hand in the affair. He was experiencing again the difficulty, which he had so often found in his early days in Canada, of securing unity of action from, and setting up harmonious relations with, remote boards of directors in London. He wrote to financial friends in that city, asking them to prevail upon these boards to abandon "their supreme belief in the efficacy and fitness of the rules and instructions laid down in London;" to give their Cuban officials full powers to deal with questions as they arose, or, failing this, to send out to Cuba the best and broadest-minded man among them, not "one of the narrow-minded, self-sufficient damn fools so often sent out from London to various centres in such cases."

He fixed upon the ancient city of Camagüey, then called Puerto Principe, for the headquarters of the railway, and decided to mark the turning of the first sod at that point with a public celebration. The influence of the officials of a small railway running from the city to the northern coast was exerted, however, to prevent the public from attending the celebration. The attendance was wretchedly small, but, undaunted by his chilly reception and determined to win the favour of the people, Van Horne accepted the situation as though every circumstance was propitious. With courtly deference he handed the spade to Nina Adelina, the little daughter of Mayor

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Barreras, and she performed the ceremony. On his return to New York he bought her a gold watch which bore a suitable inscription, and had an illuminated address prepared to commemorate "the interest she manifested in the company's undertaking" and for "so graciously inaugurating its work at Puerto Principe." When he next visited the city, bringing with him the watch and the address, the people had come to realize the benefits they would derive from the new railway, and there was a genuine festival in the flower-decked patio where the presentation ceremony took place. Some months later the tide of good feeling had risen so high that he was formally adopted by the civic authorities as a "son of Camagüey."

On December 1st, 1902, the Cuba Railroad was opened for traffic. It was solidly built, with bridges of stone or steel, with easy grades and few and light curves. The track was of standard gauge and of heavy and permanent construction, and though few of the passenger-cars of red and white mahogany were delivered in time, the road was well equipped for its inaugural run. The enthusiasm of the people of eastern Cuba was raised to the highest pitch. Till then it had taken ten days to travel from one end of the island to the other; now the journey could be made in a luxurious sleeping-car in twenty-four hours. Van Horne, who had gone to Cuba for the occasion, found

## A "SON OF CAMAGÜEY"

himself the adopted son not only of Camagüey, but of all the eastern provinces. In the midst of showers of congratulatory telegrams and addresses, he said that the work had only begun, and to make it a success, "it is only necessary that we should all pull together."

Meanwhile the government of the Republic of Cuba had been inaugurated in the preceding May and had taken over the administration of the affairs of the country. Thereupon, the Foraker Act had become inoperative. But by that time, while all others who wished to promote railway-building in Cuba had been held back by the provisions of the Act, Van Horne had substantially completed his railway.

The road had been built without subsidy or public aid of any kind through a region where, despite an offer of government guaranties, the old régime had been unable to find men bold enough for the task. It was a monument to Van Horne's faith in the honour of the Cubans and in the future of their country. Furthermore, it was a monument to the Cubans' sense of honour and fair-dealing. Remarkable, if not unique, in Spanish-American countries, it was built without buying any man or any one's influence.



## CHAPTER XXIII

### AN ACTIVE LIFE AT THREE SCORE

**I**T is impossible to follow the tracks of Van Horne's multitudinous activities during the first eight or nine years of the present century. Nor is it possible to observe anything like chronological sequence in describing the most important of them. He was now, at sixty years of age, in the busiest and most difficult period of his life.

"I have never," he said, "been so busy as I have been since I quit business."

He could never again put forth the intensity of effort that he had given to the building of the Canadian Pacific. But his interests now were vastly more numerous and diversified. The supervision of the Cuba Company's affairs entailed two, three, or more visits of several weeks' duration to Cuba every year. Its head office in New York required his presence for days and weeks at a time. His holidays at Covenhoven were short and broken. During his brief visits to Montreal and his family he was feverishly occupied with business. He had accepted directorships in insurance and trust companies in New York and Montreal, and in a number of new companies engaged in building railways, street railways, and

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power plants in Brazil, Guatemala, Mexico, and elsewhere. The presidency of several important Canadian companies imposed inescapable duties, and the affairs of the Laurentide Pulp Company were troublesome and needed unremitting attention. He was still the chairman of the Canadian Pacific board and a member of its executive committee, and was so identified with the road in the public mind that a great many people continued erroneously to regard him as its guiding genius. This was particularly true of people in England, where the chairman of a railway company is its executive head; and it resulted in a large correspondence. Moreover, the directors and shareholders of the road were now seriously perturbed by the impending shadow of a giant competitor in the Grand Trunk Pacific. Van Horne himself was scornfully incredulous of the new transcontinental injuring the older line, but he was "first, last and all the time for the Canadian Pacific as against anything else in the world," and he confessed "that an attack on the Northwest should ever come from the north is something I never dreamed of."

Happily, the Canadian Pacific was so firmly entrenched, so prosperous, and so ably managed by Sir Thomas Shaughnessy that it could withstand any competition or any conceivable financial strain. But this was not the case with the comparatively new undertakings directly under Van

## THE CUBA RAILROAD COMPANY

Horne's own management, and the financial depression of 1903 plunged him into almost endless worry and perplexity. The Cuba Company, naturally, gave him the greatest concern. The chief purpose for which he had incorporated it was the development of the natural resources of Cuba, and the railway had been the preliminary step to its accomplishment. He had organized, in 1902, a subsidiary company for the operation of the road under the name of the Cuba Railroad Company, which purchased the line from the parent company with its own bonds and preferred and common stock. Lumber-mills were already well established, and he had intended to engage on a large scale in the production of sugar. He had prepared himself for this by a study of the industry in all its aspects and by absorbing all that he could learn from experts whom he employed or with whom he came in contact.

But the financial depression was already sufficiently pronounced to make it difficult to raise capital, and the state of the Cuban sugar industry was unfavourable to investment. The construction of the Cuba railroad had been of incalculable benefit to the eastern provinces as a direct incentive to the rebuilding of homes and the reëstablishment of trade; and in that part of the island there was something like a return to the very moderate standard of prosperity which had obtained before the insurrection of Gomez. The

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general industrial condition of the island, however, was poor, and particularly so in the western provinces, where the sugar plantations principally lay. Destruction of sugar and tobacco crops had entailed severe losses upon the planters. Their estates were heavily mortgaged, their machinery antiquated, and they could not obtain money for handling their crops, except at a very high rate of interest.

The condition of the industry had become the more acute through the prevailing low price of sugar, due to competition with the bounty-fed beet sugar of Germany, which could be sold below the cost of the Cuban product. New methods of production on a large scale were necessary to meet this competition, and capital could not be raised for the purpose so long as the trade relations of Cuba with the United States remained uncertain. The sugars of Porto Rico and Hawaii were already admitted to the American market free of duty, and the Cuban planters had sought, in 1901, to secure a reduction of the American tariff in favour of the Cuban product. The United States government was desirous of settling this question on a basis of reciprocity before the withdrawal of American troops, but the President's proposals were thwarted for two years by the powerful opposition of the American Beet Sugar Association and the cane-sugar planters of Louisiana.

## THE CUBAN TREATY BILL

Van Horne strongly favoured a reduction of fifty per cent. in the tariff.

"I know," he remarked, "that if I were the Emperor William of the United States, I would not let England, Germany and France supply the Cuba market very long with the great bulk of manufactured articles consumed there."

After a prolonged fight the Cuban treaty bill, which embodied a provision for the admission of Cuban products to the United States at a reduction of twenty per cent., passed both Houses in December, 1903.

Meanwhile the financial stringency had become profound and, notwithstanding the enormous wealth of his associates, Van Horne was unable to procure capital for a sugar-mill. The construction of the railway had doubled the value of all land in its vicinity, but the increase in value brought no profit to the Cuba Company. Jacob Schiff, who visited the island and was one of the shareholders, said that the undertaking must be one of pure philanthropy, since they were creating such advantages for the public and were availing themselves so little of the opportunity to increase their own wealth.

There was nothing of the philanthropist in Van Horne. On the other hand, he was no mere money-maker. He built for the joy of building, and his mind was ever on the work. He was over-sanguine about results. And his incurable

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optimism drove him forward without his taking time and thought to frame the substantial foundation for his enterprises which would have been the first and chief care of the cautious and far-sighted financier. His fellow-shareholders, looking only to results in terms of cash, did not share his enthusiasm for the work or his keen delight in opening up a new country and in winning for himself and the company the cordial and, indeed, affectionate regard of the Cubans. Money was not forthcoming for the sugar-mills. Money for the railroad was almost as hard to get. In October he formally asked the company's shareholders to buy \$1,000,000 bonds and \$2,000,000 preferred stock of the railroad. Only a small portion was subscribed, and it was not until December, after months of effort and disappointment, that a chance meeting with Robert Fleming, one of the shrewdest Scotch financiers in London, led to a sale of a large block of securities.

With this new money Van Horne acquired the old government barrack at Camagüey and converted it into a unique modern hotel, searching Cuba for the most striking and effective plants and flowers to beautify the patio and gardens. Wharves were built at Antilla, and other steps taken to make the branch to Nipe Bay remunerative. Additions were made to the rolling-stock and other equipment. He renewed to the Cuban

## ADVERTISING CUBA

government his recommendations to General Wood in 1900 for the expropriation of large idle areas and their subdivision into small holdings, and advocated the institution on the island of three experimental agricultural stations.

The prospects of the railway were growing brighter. A steamship service was inaugurated between Santiago and Jamaica. Sawmills and cattle-ranches were springing up along the main line, and the sugar and tobacco crops were excellent. Van Horne instituted a campaign of advertising, employing artists, photographers, and writers to depict the beauties and extol the advantages of the country. The campaign had only been well begun when a bad storm caused extensive damage to the railroad; and he again found himself harassed by financial difficulties which his rich associates were indisposed to relieve.

In his extremity Van Horne asked the Cuban government for a loan equal to the interest charges on the road for a period of three years. The request was favourably received, and was strongly commended to the Cuban Congress by President Palma. The Havana press joined with prominent Cubans in eulogizing his work. The tribute was as spontaneous as gratifying, and he was deeply moved by it. The loan was not immediately sanctioned, but the enthusiastic endorsement and support of the enterprise by the Cuban people arrested the attention of some of his associates

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and rekindled their interest. A general recovery from the financial distress of 1903 had taken place. They now decided to subscribe \$2,725,000 toward the long-deferred sugar scheme, and Robert Fleming bought \$700,000 debentures issued for the same purpose.

The subscription was no sooner made than Van Horne set to work on the erection of a sugar-mill at Jatibonico, with a capacity of one hundred and fifty thousand arrobas daily. The structure was begun in November, 1904, machinery was installed, and by March thirty-three hundred acres of timber and brush had been cleared and planted with cane at Jatibonico and Tana. It was all done with a speed unequalled in the records of Cuba.

There was no opposition in the Cuban Congress to the bill authorizing the loan to the railroad. It was agreed that the loan, amounting to about \$800,000, should bear no interest. Indeed, some members wished the transaction to take the form of a free gift of that sum as a token of Cuban gratitude. But owing to parliamentary obstacles arising from party differences over other matters, the bill made slow progress. Eventually, it was unanimously adopted by the Senate in August, 1905, after speeches inspired by feelings of the warmest cordiality and appreciation.

Cosmopolitan in thought and feeling, Van Horne had no patience with the arrogance,

## EMPLOYING CUBANS

nowhere, except in Germany, more common than in North America, which ascribes intellectual and physical inferiority to other races, and he practised what he preached. He employed Cubans wherever possible on the railroad, and had begun early to have young Cubans trained for the more responsible positions. The Cubans were not usually members of trades-unions, and the American conductors and engineers employed on the line objected to his policy. He instructed the manager, who was himself a Cuban, to make it clearly understood that the company would fill all vacancies with Cubans, and that no employee participating in a strike would obtain reëmployment.

His experiences in Cuba had made him receptive to the problems confronting the American government in the pacification of the Philippine Islands, and in 1901 he had suggested to his friend, Colonel William E. Dougherty, then in command at Santa Cruz, that the United States might take a leaf from the British book and control the people by subsidizing the native chiefs, as Great Britain had subsidized the native princes of India.

In January, 1903, Secretary of War Root invited him to discuss the question of Philippine railways. The government was gravely concerned over unrest in the islands, and believed that much might be done to allay it by the building of railways and other economical measures. The Secretary of War referred to the work of the Cuba

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Company, and expressed the opinion that with its experience of work in a tropical climate, its Spanish-speaking officers, engineers, and foremen, it would be more competent than any new organization to carry out the contemplated works. He wished the policy which had been followed with great success by the Cuba Company to be repeated in the Philippines. He finally asked if the Cuba Company would consider the proposal, and Van Horne intimated that they would. He had enjoyed every moment of his experience in Cuba, and he looked forward to duplicating in the islands in the Pacific the assistance he had rendered the United States in dispelling the anti-American prejudices of the Cubans.

As a first step he interested Thomas F. Ryan and a few other financiers, and, with approval of the Secretary of War, sent a party of engineers to the Philippines to investigate railway conditions and to make a preliminary report.

There was already one line of railway, about one hundred and twenty miles in length, on the island of Luzon, which was owned by an English company, and while Van Horne's engineers were on their way to the Philippines, Governor Taft granted two concessions to this company for lines radiating from Manila on the routes along which Secretary Root had proposed that Van Horne should build. The engineers returned in midsummer with a scheme which opened up

## THE PHILIPPINE ISLANDS

“almost endless possibilities” and promised to be big enough in execution and results to gain the interest of leading financiers.

In July Van Horne commenced negotiations for the Manila railway and the concessions granted by Governor Taft. But after several conferences with the representatives of the English company he found that he could make no headway, for their chairman refused to discuss the future of the road until the United States government agreed to give compensation for its use during the insurrection. Van Horne concluded that the board of the English company had obtained the concessions from Governor Taft in order to block the government's plans until they obtained a settlement of their claim, and that an arrangement could not be effected unless the Englishmen were made to understand that “no dog-in-the-manger” policy would be tolerated.

The matter drifted along through the winter of 1903-04. Judge Taft became Secretary of War, and Van Horne discussed the situation with him and his predecessor in office in March, 1904, formally declaring his willingness to construct the proposed railways if permitted to follow the construction policy of the Cuba Company.

“I have considered this subject,” he wrote Secretary Taft, “from a physical and commercial standpoint, rather than as a stock market proposition—as a question of railroad building and

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subsequent operation, and not as a question of immediate profit from construction or of making a financial return, and I have no doubt that my views as to the basis of an arrangement and as to how the works should be carried out differ widely from those who view it from a strictly financial standpoint; but I am prepared on the part of myself and my associates to undertake the contemplated works on terms based on a belief in the commercial success of the lines to be built—terms which shall leave the constructing and operating company dependent, as regards profit, upon the future working of the railroads; and also under such conditions as shall, with the greatest certainty, secure the military, political, and economic conditions desired by the United States Government and the Government of the Philippine Islands.”

The time and money spent on the projected railways proved barren of results.

The United States government had abundant reason to deplore the concessions granted by Governor Taft. In his report for the year 1915, Francis Burton Harrison, Governor of the Philippines, announced that his government had decided to purchase the Manila Railway—“to buy back for the Philippine Islands the perpetual franchise which had been so unwisely granted to this company. . . .”

Van Horne’s audacity in beginning the Cuba

## PROPOSED RAILWAY IN GUATEMALA

Railroad without a charter and the *entente cordiale* that he had established with the Cuban people brought him many requests to undertake the direction of other Spanish-American projects. But although he was attracted by several to the extent of investing in them, his programme of development in Cuba, his expectation, throughout 1903, of building railways in the Philippines, and his multifarious duties in Canada, compelled him to decline. For these reasons he refused to connect himself with a railway in Honduras or the Nicaragua Canal, and he withdrew from the Demerara Electric Railway, of which he had been a director and in the organization and construction of which he had been actively helpful.

Nevertheless, on the understanding that so long as he was engaged with the Philippine project he should not be required to do any executive work, he agreed to join in an enterprise for the construction of a railway in Guatemala. His principal associates in this undertaking were Minor Keith, vice-president of the United Fruit Company, who had built the Costa Rica Railway, and General Hubbard. Three men of such experience and repute had small difficulty in securing what Van Horne termed an admirable concession."

"We asked for all that we could think of, and we got all that we asked for."

The financial stress of 1903, which had seriously

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embarrassed him in his Cuban projects, was not so severely felt in Canada as in the United States. But it had caused Van Horne anxiety concerning several of the Canadian companies with which he was associated. Handicapped by inexpert management and by damage from fire, the Laurentide Pulp Company had needed more careful nursing than he had been able to give it. The responsibility for its direction fell mainly upon him, as its president, and the burden was made the heavier through the prolonged illness of the originator of the enterprise, General Alger, who held him answerable for the mill's success. This responsibility could not be avoided, for he had induced many friends to invest in the enterprise and consequently was determined to put it on a flourishing basis. On the advice of leading American experts who were brought to the plant in 1903, it was decided to secure a manager of high technical attainments and to make the manufacture of paper the main object of the company. This involved an increase of the capital stock and an issue of bonds to provide for the erection of paper mills and machinery, and it was as hard to raise money in Canada as it was south of the line. But despite his innumerable cares, Van Horne had to face the task of raising it. He found it "the most difficult job of the kind" he had ever attempted, but before the close of 1908 the money was subscribed. The

## THE LAURENTIDE PAPER COMPANY

result of the reorganization and the expert management was speedily apparent, and within two years the Laurentide Paper Company gained a commanding position in the paper market and was on the highroad to prosperity.

Troubles come not as single spies, but in battalions. His anxieties concerning the financial well-being of his various interests were overshadowed by domestic misfortune. His sister Mary, who had shared his home and fortune since his marriage, contracted a serious illness, and everything else was made subservient to his solicitude for her. Inheriting their mother's ability and sharing his social gifts, she had been his almoner, suggesting and arranging his private charities. His care for her through many anxious weeks at Copenhoven and in Montreal showed his deep affection for her. All that love and devotion and skill could do were unavailing, and his sister died in Montreal in January, 1904, and was buried beside their mother at Joliet.



## CHAPTER XXIV

### FINANCIAL WORRIES

THE loan granted by the Cuban government, further investment in the Cuba Company's securities by Fleming's London clients, and a general recovery of financial conditions encouraged Van Horne to proceed with some of the branch lines which he planned to serve as feeders to the Cuba Railroad. Having erected car-shops at Camagüey, the seat of the company's headquarters, in order that the road might be independent of American shops for its equipment, he sought to have introduced in the Cuban Congress a measure providing for substantial subsidies for the construction of branch lines in the eastern provinces. He resolved, also, to extend the main line from Santa Clara westward to Havana. He felt compelled to make this extension through his failure, notwithstanding continual negotiations with the United Railways of Havana, to secure satisfactory arrangements for his through-freight service. As Havana was the chief centre of the island, and likely to remain so, adequate connections for the transportation of his traffic over their lines was essential to the profitable operation of the Cuba Railroad. In order to show that he

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was determined to protect his through traffic to Havana, if necessary by a line of his own, he communicated his intentions to the United Railways and caused surveys to be made along a southerly route which would not interfere with existing lines. He also surveyed a spur from the projected extension into Cienfuegos, which would make the shortest line from that point to Havana and would at the same time afford his system a connection with the southern port.

This move brought a clash with unexpected opponents. The Havana Central Company, which operated the electric railway system of the capital and of which he himself was a director, now announced its intention to build a line from Havana to Cienfuegos. He had discussed his plans with some of his friends in that company and had found them agreeable, if he were compelled to build westward, to a proposal to use their line from Guines to Havana for his trains. They had given him no hint of any intention to build a line of their own to Cienfuegos. An electric railway reaching that point would threaten all the territory of his road in Central Cuba.

Indignant at what he considered to be deliberate bad faith, Van Horne abruptly withdrew from the Havana Central and sold his stock. Then, in order to block the threatened encroachment, he had surveys made and plans prepared for an extension of the Cuba Railroad into the Mani-

## RAILWAY CONNECTIONS IN CUBA

caragua valley east of Cienfuegos, which contained the only route by which he could be attacked. His plans for the line between Cienfuegos and Havana were ready when the Havana Central filed plans for an almost identical line; but in their haste the Havana Central people had made plans which were not in legal form, and the subsidiary company they had formed to build their line was found not to have complied with the law relating to its organization. Their plans were rejected and their company denied recognition. Van Horne immediately filed his plans, which were approved.

Under the law he had two years within which to commence construction and five within which to complete the work. Regarding the project as one to be carried out only if he failed to secure a satisfactory arrangement with the United Railways of Havana, Van Horne re-opened negotiations with the head of that system, Baron Hugo Schroeder. In addition to prompt and adequate connections, he demanded the right to make rates between Havana and points on the Cuba Railroad, in order to protect traffic against coast steamers and other competition. In January, 1906, after completing arrangements for planting sugarcane about the site of a second sugar-mill, Van Horne went to England to further the negotiations. He failed, however, to reach a settlement, and returned to America convinced of the necessity of building into Havana.

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The Cuba Railroad, though earning an annual surplus, was not yet paying a dividend, but various industries along the line were developing and traffic was out-growing equipment. Numerous land-holdings had been taken up by Cubans and Americans, some seven thousand of the latter having registered their titles in the district of Camagüey. In May, 1906, the subsidy bill passed the Cuban Congress, and Van Horne proposed to begin construction of the eastern branches at the end of the rainy season. Rumours of reprisals by the United Railways, if he built into Havana, were rife. That company was said to be aiming at control of the Cuba Railroad and planning to build competitive lines at Santiago. Van Horne countered with threats of attacking all their main centres of traffic, filed plans for a number of additional branches, and organized a flying construction force to be ready for immediate operations at any menaced point.

All plans proved abortive when the peace of the island was suddenly broken by an insurrection. The Cubans had not learned the primary lesson of democracy—submission to the will of the majority. The dissatisfaction of the defeated party with the election of 1905 and the reelection of President Palma flamed into rebellion in August, 1906.

The United States government immediately intervened. About the middle of September Presi-

## INSURRECTION IN CUBA

dent Roosevelt sent Secretary Taft to Cuba for the purpose of reconciling the contending factions. Secretary Taft's efforts were unsuccessful, and President Palma resigned. It was found impossible to assemble the Cuban Congress, and Secretary Taft formed a provisional government for the restoration of order and public confidence, and announced that a fresh election would be held "to determine on those persons upon whom the permanent government of the republic should devolve." The island was again, for the time being, under American rule, and the disturbance, described by Van Horne as "a rather polite affair," was over. He held President Palma in high esteem and deplored his resignation, desiring above all things stability of government.

President Roosevelt asked Van Horne to come and see him because he wished to learn exactly what were the conditions prevailing in eastern Cuba. Van Horne went immediately to the White House. The President came into the anteroom and, having got rid of other visitors, put his arm around Van Horne, and saying, "Now, Van Horne, come and tell me all about Cuba," led him into his private office.

"I was with the President for half an hour or more," said Van Horne afterwards. "During that time he told me many things about Cuba, some of which were not correct. Then he rose to indicate that the interview was at an end. During the

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whole of my visit he never asked me a single question and never gave me a chance to open my mouth."

Van Horne's efforts to ingratiate the Cuban people were handsomely rewarded during the insurrection. The insurgent leaders treated the company's officials in the friendliest way and gave its surveying engineers written permits which forbade any interference with their operations or the seizure of their horses. With the scrupulous politeness characteristic of their race, however, they warned the manager of the railroad that they would be obliged to resort to blowing up the bridges of the company if it rendered any service to the government.

The disturbance affected all Cuban investments unfavourably. Nothing is more sensitive than capital, and investors, ever prone to be distrustful of Spanish-American countries, fought shy of adding to their commitments in an island where rebellion had so suddenly broken out. All Van Horne's plans for extensions had to be held in abeyance. The Havana Central, too, found itself unable to raise funds for further operations, and soon passed into the control of the United Railways of Havana. With that antagonist removed, Van Horne reopened negotiations with the latter company. These were finally successful, and the extension to Havana was thereupon abandoned.

In the meantime another of his ventures was

## THE GUATEMALA RAILWAY

being subjected to almost identical hazards. In 1905 it had become necessary to secure capital for the construction of the Guatemala Railway. A large preliminary loan was obtained by Percival Farquhar from the Deutsche Bank, and the work progressed with smoothness. But in 1906 troubles similar to those arising in Cuba came to the surface in Guatemala, one of the immediate consequences of which was that the flow of capital was stopped at the fount. The Deutsche Bank refused to make further advances. All pockets were closed to the Guatemala Railway. The line was still unfinished. Its earning power depended upon its reaching Guatemala City. The only course open to the promoters was to provide personally the funds needed for its completion. The amount required was not large in terms of railway expenditure, but of the three concerned, Van Horne probably felt most severely the burden of this new obligation. He had invested in Cuba more than he had ever intended, and was now so pressed for money that he had to dispose of some investments in Mexico and elsewhere and to part with a portion of his stock in the Guatemala enterprise in order to finance his new outlays. With Keith absorbed in large interests elsewhere and his own attention directed continuously to Cuba, the Guatemala railway had not progressed as speedily and economically as he had expected. He now felt compelled to give it more attention, and began

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“scratching about everywhere” to find additional capital. By the end of the year he had succeeded. Conditions in Guatemala were brightening. Labourers were returning from the army, and the grading of the line was soon completed.

In April of the following year Van Horne made his first visit to Guatemala, joining Minor Keith and Charles Hopkins Clark of Hartford at Puerto Barrios. From the end of the rail they rode on mules to the capital. He was now in his sixty-fourth year and very corpulent and the journey was one of great physical discomfort. But his intense interest in the road and the prospects of development so filled his mind that the actual hardships bore less on him than on his younger and slighter companions. They were astonished by his fearlessness in “riding along the most precipitous cliffs as though he were on a toll-bridge.” His fame as a railway-builder had preceded him, and he was greeted with enthusiasm and homage at every engineers’ camp and construction depot.

A typical Spanish-American welcome awaited him and Keith at Guatemala City, which surprised him by its beauty, its handsome streets and buildings, and the signs everywhere of growth and prosperity. He was even more agreeably astonished by the celerity with which the chief executive of the Republic despatched his administrative duties. In less than two hours

## A VISIT TO GUATEMALA

ten matters of importance were discussed and decided, and the decrees issued.

His visit to Guatemala dissipated all Van Horne's fears and doubts about the railway. Vexing delays and financial difficulties receded into the background. His spirits rose buoyantly as his mind dwelt upon the opportunities for development, and he began to plan a branch line into Salvador. The prospects, indeed, were encouraging. The United Fruit Company was increasing its Central American fleet and arranging for a European service by the Hamburg-American line to Puerto Barrios. As the practical railwayman among the promoters, Van Horne undertook to order the rolling-stock for the line.

A visit in the same year to his Selkirk farm and to Winnipeg brought him once more into actual contact with the problems of the Canadian Pacific. The prairie provinces which he had so jealously guarded had been invaded not only by the Grand Trunk Pacific, but also by the Canadian Northern Railway. Now he found the province of Manitoba, as apt to measure its prosperity in terms of railway facilities as in the productivity of its soil, coquetting with his ancient enemy, J. J. Hill, and in treaty for extensions of his lines into its boundaries. His old resentment flamed anew. It was given vent in a letter to William Whyte, which was virtually a manifesto to the people of Manitoba:

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"Oh, my body and bones and blood, how I love thee, Manitoba!" says my friend, J. J. Hill. How long, think you, has this love of his for Manitoba existed? I can tell you precisely. It dates from the time the 'Soo' extension was built between him and the International boundary, and the time when the C. P. R. started toward Spokane . . . He is a man of very great ability . . . He is a pastmaster in the art of working a community, and he is working you in his usual artistic way. . . . What you have let him do can't be undone, and you will have to rely on the C. P. R. later on to protect your trade against his railroads. Therefore it behooves you not to treat the C. P. R. too badly . . .

Some say that the question I have raised concerning Mr. Hill's plans is merely one between the railways . . . I say that it does matter very much to you whether your traffic is carried within or without your own country, for if carried by your home-railways, two thirds of the earnings are immediately paid out at home in the shape of working expenses—for wages and materials—and the other one third goes abroad for interest and dividends, and promotes the credit of your railways and helps them to get more money for developments here. A little thought given to this important question will be worth while.

On his return to Montreal Van Horne could not dismiss from his mind his amazement that the Winnipeg people should allow Hill's branch lines to come up and tap Canadian traffic. A few months later he wrote "Cy" Warman, the well-known railwayman and journalist:

Hill's old boast, which seems to have been forgotten in Canada, with many other of his nuggets of speech, will have a good chance of coming true. I do not remember his exact words nor on what occasion they were used, but per-

## DOMINION IRON AND STEEL CO.

haps you will recall them. They were to the effect that if he were to build five or six branch lines into the Canadian northwest, Canada could not hold that region any more than she could hold a streak of lightning. But I am afraid it will be long before our Winnipeg friends learn the danger of caressing a mule's hoof. Our friend Jim has gilded the hoof, and the Winnipegers are kissing it. It is no use saying anything; watch the results.

Events did not justify his forebodings. Rumours of invasion by Hill's lines came and went like weather-storms, but they never made any serious encroachment on the Canadian Pacific's prairie territory.

Before his fighting temper had cooled off Van Horne became actively involved in a long and bitter struggle between two companies, of both of which he was a director, the Dominion Coal Company and the Dominion Iron and Steel Company. The lawsuit between the two companies over the repudiation by the Coal Company of a contract to supply coal to the Steel Company became a *cause célèbre*. Having vainly endeavoured to induce James Ross, the president of the Coal Company, to consent to a settlement by arbitration, Van Horne withdrew altogether from that company and stood out as the vehement champion of the Steel Company, fighting its battles with the more heat, perhaps, because of an old grudge he had against Ross concerning the division of spoils in a street-railway deal. The progress of litigation was accompanied by a duel for control

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of the Steel Company, by various stock-market moves by both sides, and by threats and counter-threats.

The suit came to trial at Sydney in July, 1907, and the court gave judgment in favour of the Steel Company. The case was at once appealed. The companies were the largest coal and iron producers in the country, employing several thousands of men. Their shareholders were numerous; the dispute caused great anxiety, and its settlement became a matter of national importance. Earl Grey, the Governor-General, and Sir Wilfrid Laurier both sought to bring about a compromise. But Van Horne was now as obdurate as Ross had been before the suit was taken. He would consent to arbitration, he told the Premier, only if the Coal Company would restore the *status quo ante bellum*. To Lord Grey, who had expressed his solicitude for the business interests of the country, he politely pointed out that no one was being damaged at the moment "save the Steel Company through the extra price it has to pay the Coal Company for coal, and which extra price it expects to recover later on . . . this extra price is going into the treasury of the Coal Company which will in the end, and at the worst, have to refund an overcharge."

The Appeal Court confirmed the judgment of the trial judge. The case was carried to the Privy Council in England, where the Canadian courts

## THE PAPER-MAKING INDUSTRY

were sustained. The two companies were subsequently amalgamated, with Van Horne as vice-president of the combination. He had deplored the litigation and done all that he could to avert it. But once in the fray, he had delighted, as of old in his railway battles, in detecting and defeating the moves of his adversary. He was correspondingly elated by the final victory.

While waging battle for the Steel Company, Van Horne was also actively engaged in trying to get government support for the Canadian paper-making industry and protection for Canadian forests. The Laurentide Company was now a large producer of paper and earning handsome profits. The plant at Grand Falls, New Brunswick, was still in embryo, owing to delay and the issue of a charter to a rival organization. What now occupied his mind was the inroad on Canadian pulp-wood by American papermakers. The pulp-wood resources of the United States were being rapidly exhausted. Two of the largest American organizations had added thousands of square miles of Canadian timber-lands to their already large holdings. Other American firms were becoming active in the same direction, and Wisconsin mills were transporting millions of logs from Quebec. But only one American company was building a mill to manufacture pulp in Canada. The Dingley Tariff had been ingeniously framed to prevent Canada from levying an export duty

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on pulp-wood. Van Horne repeatedly urged the Dominion Premier and the members of his cabinet to impose one, or, indeed, to prohibit the export of pulp-wood altogether. In ten years the imports from the United States to Canada had trebled, increasing from \$50,000,000 to \$150,000,000, while during the same period Canadian exports to the United States had remained practically stationary at the paltry total of \$10,000,000.

Van Horne maintained that so good a customer as Canada should be better treated than she was under the Dingley Tariff, and that she would be better treated as soon as she showed a little spirit. The Canadian exports to the United States were injurious, rather than beneficial to the country, for, apart from lumber, they consisted mainly of mineral ores taken from British Columbia to be smelted abroad. "Stumps and holes in the ground—these only we have to show for our exports," he said. One cord of pulp-wood exported from Canada yielded to Canada and all her interests less than six dollars, but the same cord of pulp-wood manufactured into paper yielded thirty-six dollars. "No sane individual would waste his raw materials in such a way when he could do so much better with them, and I can see no good reason why a Government should do so any more than an individual."

One of the hobbies in which, during this period, Van Horne found relief from worry and con-

## BLUE RIBBONS AT CATTLE SHOWS

tention was stock-breeding. Yule, the Scotch manager of his Selkirk farm, who had a highly developed fancy for prize-winning at fairs, introduced this pastime to him and having once entered upon it, he went into the game with his usual determination to have the very best and to beat everybody. Yule was sent on frequent trips to Scotland and England to purchase the best animals from the choicest herds, and eventually assembled a herd of shorthorns which took blue ribbons at the cattle-shows at Winnipeg, Chicago, and other cities.



## CHAPTER XXV

### VIEWS ON LABOUR AND CAPITAL

**A**LTHOUGH he protested that he was not a capitalist, but merely a railwayman, Van Horne's attitude to the great economic movements of his time was essentially capitalistic. Believing that on the North-American continent, at least, every man had equal opportunity to attain wealth and position through his industry and the exercise of his intelligence, he was strongly opposed to trades-unionism. As an employer, he was alive to his responsibility for the welfare of his employees. He boasted that the Cuba Company was "not one of the heartless and grinding monopolies," and he uniformly refused to have any financial interest in enterprises which involved the importation of labour into unhealthy districts. Consulted with regard to labour on the Panama Canal, he declined to say "anything that might even indirectly lead to the sending of any white men to Panama to work on the canal as labourers; for I believe that, notwithstanding all the precautions that may be taken, there will be a large percentage of deaths."

But he condemned strikes and was disposed to fight them to the last ditch. He held that

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corporations constituted the foundation of our present civilization; that economic necessity would tend to make corporations grow bigger, stronger, and, through more perfect organization, more effective; and that to make corporate property untenable would imply a return to the Dark Ages. The dominant political tendencies in the United States at the beginning of the twentieth century, therefore, filled him with alarm and somewhat bewildered him. The persistent attacks on the railroads were particularly depressing. He did not sense, or if he did, he was not concerned to oppose, the danger inherent in the daring manipulations of a Harriman or the ingenious devices of financiers to seize the transportation systems of the country by means of holding companies and watered stocks. A railway-builder himself, he resented attempts to destroy the reward that was due to those who had had the courage to build railways and the ability and energy to develop them into paying properties. To value a railway system by its actual money-cost or by the cost of its physical replacement was manifestly as absurd as to value a manufacturing plant by the amount of capital put into it, without regard to the care and thought and industry that had made it great and profitable.

The attacks upon railway corporations and the great industrial trusts—with which he was in no way connected—were, he thought, the outcome

## VIEWS ON LABOUR AND CAPITAL

of "prevailing North-American jealousy of either individual or corporate success," and filled him with indignation. The assaults upon over-capitalization were misdirected; the wrong people were being hit, the looters having made off with their spoils.

"It is the people who make the laws that permitted these things to be done who ought to be hunted down. . . . People who put pigs in office ought not to complain if they eat dirt and are bought and sold."

He did not believe that the suit for the dissolution of the Standard Oil Trust was sincerely begun by the government or intended to be pushed to a final decision—that it was anything more than political bait; nor that the higher courts would order a dissolution on the facts of the case. Among many blunt and emphatic protests by speech and letter, he wrote a concise and forceful defence of John D. Rockefeller, which went the rounds of the press. He shared the general reaction of business men against the radical policies of President Roosevelt, and was disposed to ascribe them to political manœuvring, which he held in contempt.

Unsettled conditions and the "rich men's panic" of 1907, coming after the insurrections in Cuba and Guatemala, added greatly to his worries. The continual burden of finding his share of the cost of completing the Guatemala Railway was a

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constant anxiety. The last spike—a golden one—was not driven until January, 1908, when, in keeping with the customs of the country, the opening of the road was celebrated by a festival of two weeks' duration. The completion of the railway did not sensibly diminish his obligations or his worry, and he admitted that the Guatemala Railway had become his *bête noire*. Concern over his own health, which was affected by a diabetic condition, was added to his business anxieties.

Before the loan from the Deutsche Bank matured, he arranged with Robert Fleming to meet it and to effect a financial reorganization of the company. This done, the undertaking was firmly established. Recovery from the panic of 1907 made further difficulties unlikely. But by this time Van Horne had lost all pleasurable interest in the road, and refused to join Keith in various subsidiary enterprises which the latter proposed. He did not feel warranted in making further sacrifices or going through fresh worry to raise more capital. Disclaiming the possession of great wealth, he said, "I have always been more interested in carrying out to a successful end the different things I have been connected with than in making money for myself." It was absolutely impossible for him "to go farther in finding money," and he offered to sell at a sacrifice his remaining interest in the road. The new projects were not entered upon, and he remained connected

## THE UNITED STATES AND CUBA

with the railway for several years, with continually lessening interest.

In the financing of the Cuba Railroad he was almost at an impasse. The second American Intervention had restored peace to the island. The election of 1907 was held without disorder, and the new President, José Miguel Gomez, was as friendly disposed to the enterprise as his predecessor had been. Continuing the policy of President Palma, he supported the congressional grant of the subsidies for branch lines and affirmed that the Cuba Company and its founder held a place in the regard of the Cubans such as no other corporation had ever enjoyed. Agricultural and industrial conditions were improving, but in Van Horne's opinion improvement was gravely retarded by the "unfair" terms of the treaty between the United States and Cuba. Her great neighbour treated Cuba as an undesirable customer and exacted from the struggling little island, by means of preferential tariffs, double the trade advantages she accorded her. This, Van Horne thought, was unworthy of the United States and derogatory to her greatness. The general indifference of Canada and the United States to Cuba and all Spanish-American countries struck him painfully, and he despaired of an early remedy when, as he complained to Congressman Sulzer, "ten times, perhaps one hundred times, more is known of such countries as Guatemala in Europe

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than is known in the United States. This is all wrong. Open the eyes of the American people. . .”

Disappointed as he was by the unexpectedly slow development of the railway, Van Horne was so little discouraged that he felt himself justified in arranging for the erection of a hotel at Antilla. But there were no available funds upon which he could draw for the branches in Oriente. The insurrection and the money-panic had resulted in the withdrawal of the Morton Trust Company, and the New York market was closed to him. In the Royal Bank of Canada, courageously reaching out to grasp the banking business of the West Indies, he found a satisfactory fiscal agent to replace the Trust Company; but 1907 closed before he was able to raise capital for the ordinary needs of the road. Then Robert Fleming again came to his rescue with advances against a pledge of securities. But a further interval of fifteen months elapsed before he was in a position to enter into a contract with the Cuban government to build a branch line connecting Marti and San Luis on the main line with Bayamo and Manzanillo.

While Van Horne was fighting the battles of the Steel Company through 1907 and scratching for money for the railways in Cuba and Guatemala, he began to take an interest in one of the many transportation projects which Canadian farmers and Canadian politicians are ever putting forward.

## THE GEORGIAN BAY CANAL

He could find nothing to commend the project of a railway to Hudson's Bay, because of the extremely short shipping season and the climatic and other natural obstacles to navigation. But to the surprise of many, who thought that it might conflict with the interests of the Canadian Pacific, he became a warm supporter of the Georgian Bay Canal.

The idea of constructing a deep-water canal from Georgian Bay and of enlarging the St. Lawrence canals to permit of large ocean-going vessels getting access from the Great Lakes to the Atlantic had intrigued the minds of Canadians for several years and had been one of the foot-balls of platform politics. Robert Perks, an English shipbuilder, who had secured the support of the banking-houses of Rothschild and Glyn, came out to Canada for the purpose of investigating the feasibility of the canal. Van Horne assisted him in an attempt to bring the project within the field of practicable enterprises. Having enlisted the interest of Jacob Schiff, he and Senator George Cox interviewed Sir Wilfrid Laurier, who expressed himself warmly in favour of a canal for ocean-going freight-steamers. On studying the scheme more closely, however, Van Horne became convinced that, owing to the cost of constructing a canal twenty-eight feet or more in depth and of adapting the facilities at lake ports, a deep-water canal was impracticable, at

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any rate for the time being. He communicated his ideas in a lengthy memorandum to the Premier, in which he set forth the conclusion that a barge canal twelve or fourteen feet in depth would answer every practical purpose for many years to come, but that it should be so constructed as to be capable of conversion without waste into a deeper canal when that should be warranted by the development of traffic.

Van Horne did not believe that the canal would hurt the Canadian Pacific, and to one who criticised the project on the ground that frost would close the canal for five months in the year, he retorted, "But I would operate it twelve months in the year. I would have it bordered with electric-lights that would turn night into day."

As a member of the board of the Equitable Life Assurance Society, he had been greatly perturbed by the sensational insurance scandals of 1905 and 1906. He had joined the board several years earlier at the instance of Henry B. Hyde who, with others, was desirous of his support in advancing the interests of the company in Canada. The methods of the great insurance company were then unquestioned, and in view of his close relations with several leading American financiers who were members of the board, he had had no hesitancy in lending his name. Occasionally and in a perfunctory way he had atten-

## LOVE OF CHILDREN

ded meetings of the board, but had no knowledge of its financial operations. The exposure, therefore, of the manipulations of the company's executive came to him as a distinct shock. He was ashamed of the "nasty mess" in which he had inadvertently allowed himself to be involved.

His mortification led him to question the propriety of retaining directorships of companies in cases where he exercised no control over their affairs, and in 1908 he formed the determination to retire as quickly and gracefully as he could from many of these boards. He wished, too, to have more leisure to spend with his family in Montreal, for in July of the preceding year his only grandchild was born—his son, "Bennie," having married Miss Edith Molson, a member of one of Montreal's oldest and most distinguished families. His joy in his grandson, who was given his own and the family names of William Cornelius Covenhoven, was unbounded, and he became at once the child's devoted slave—"Aladdin with the Wonderful Lamp."

Van Horne had always had a warm corner in his heart for children, and the yachting trips and picnics that he was wont to arrange for his young friends at St. Andrews made "red-letter days" in their summer calendars. The perennial boyishness, which his friends were apt to remark in his unquenchable zest for games and tricks, welled forth whenever he came in contact with children.

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The Cuban children were as surely his friends as their seniors. The big, cheery man, who spoke only "Inglés" with his tongue, knew the universal language of childhood's desires, and he devised many little treats for them.

"Come, let's go to the circus!" he cried one day, in Santa Clara, as, in company with Robert Fleming, Victor Morowitz, and his secretary, he came upon a circus which had invaded the interior of the island.

As he led them to the gates, he caught sight of some fifty little Cubans feasting on the music and applause that came from within the circus-tent, their small feet set in the sawdust that fringed a small boy's paradise, wide eyes and ears straining through every tiny opening in the canvas walls.

"Lynch," he called to his secretary, we must let some of these boys in!"

Setting Lynch to round up the boys, he stood at the entrance and held out his arm.

"All who can pass under this go in."

The small boys came first, and raced off into the magic circle. Noting the height of the arm, the bigger boys held back, but the day of miracles is never past, and while the arm seemed never to move, the last and tallest of the boys could pass under it at the end. Van Horne and his party trailed in after the crowd of youngsters, and had undiluted enjoyment in their ecstatic raptures.

## MISTAKEN FOR KING EDWARD

In April, 1909, he took Lady Van Horne and his daughter to Europe, visiting London, Amsterdam and Paris. Adding to his collection of paintings Rembrandt's "Jewish Rabbi" from the Rudolph Kann collection, Murillo's famous "Cavalier" from the Leuchtenburg collection, and Hoppner's beautiful "Countess Waldegrave." He sent a post-card every day, from the day of sailing until his return, to his infant grandson in Montreal. On these post-cards he drew or washed in colour a series of sketches, suggesting the movements and doings of the party and depicting himself in many of them as an elephant.

At this period of his life Van Horne bore some slight resemblance to the late King Edward—sufficient to cause an occasional mistake. One evening in Paris he took his son and Lord Elphinstone to dinner at Henri's, where, with Lord Elphinstone in attendance, His Majesty frequently dined, incognito. On the arrival of the party, the head waiter came forward with much *empressement* to receive them, and the orchestra, to Van Horne's great embarrassment, played "God Save the King."

Some time after his return from Europe he heard from his distant kinswoman, Lady Nicholson of Stanstead Abbots in Hertfordshire, who, like himself, was a direct descendant of Jan Cornelissen Van Horne, but through Elizabeth, who was a daughter of Augustus Van Horne and

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married a Bayard. Lady Nicholson sought to verify their kinship, and referred to a Count Hoorn (Van Horne) and a Count d'Egmont (who was also a Hoorn), both of whom she found in her great-grandmother's pedigree. In the course of a charming reply he could not resist poking fun at family trees, "which are so apt to be questionable about the roots," and said, "I should be truly shocked at learning that any of us descended from Count d'Egmont, for he was never married." But, lest his kinswoman should be too greatly disturbed by this disconcerting and, in fact, untrue statement, he added, "I can only assure you that I have never heard any ill report of a Van Horne, save that of the old Buccaneer of the South Seas; and even he may not have been so bad as the Spanish and the English painted him."

Dropping out of one company after another, he had withdrawn before the spring of 1910 from the boards of "something like thirty companies," and then stated that he should shortly give up active connection with every enterprise except the Cuba Company, "which I intend to stick to as long as I can, for I have a very great affection for it." The only severance that caused him a pang was the relinquishment in the spring of the chairmanship of the Canadian Pacific, an office which he described as "a nominal one, not at all useful and hardly ornamental."

"I am getting old," he said to interviewers,

## RESIGNS CHAIRMANSHIP OF C. P. R.

"and it is irksome to watch the clock. It may become depressing. I do not wish to keep up even the appearance of attending to business."

But he still remained a director of a score of important railway and business corporations and the president of half-a-dozen.

When he had retired from the presidency of the Canadian Pacific, the company's stock was selling above par; now, on his withdrawal from the chairmanship, it had a market value of over two hundred dollars a share. His faith in the prosperity of the company never wavered, and up to the beginning of the Great War, his forecasts of its progress, which, he said, "were not prophecies, but mere calculations upon known conditions," were fulfilled with remarkable exactness.

In 1899 he was traveling from Toronto with Collingwood Schreiber and others in his private car. He turned abruptly to Schreiber and said:

"If you have that little red book of yours here, Schreiber, turn up that statement of mine about the C. P. R. stock reaching par."

A few years earlier, when prospects were anything but rosy, he had predicted that C. P. R. stock would touch par by 1900. Schreiber verified the prediction. The stock was that day selling above 102.

"Now add," said Van Horne, "C. P. R. stock will touch 200 by 1910." His guests regarded this as a vain imagining, but the stock sold at over

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206 in 1910 and climbed fifty points higher in the following year.

Then a friend wrote congratulating him that another of his prophecies had come true—the annual receipts of the road were in excess of \$100,000,000. Van Horne replied joyously with a further prediction that before 1925 the earnings would have leaped to \$200,000,000. For him, the Canadian Pacific was the “economic barometer of Canada” and its earnings an accurate indication of the prosperity of the country to which it so largely contributed. On the eve of the great catastrophe he said: “There are two stocks of which I will never sell a share. One is the Canadian Pacific. I believe that some day every share will be worth a thousand.”

## CHAPTER XXVI

### VARIOUS ACTIVITIES

VAN HORNE'S affection for Cuba increased with his years.

"When grey begins to show in a man's hair, then it is time to spend part of the winter in the south, and it requires no effort to live in Cuba."

He revelled in the island's sunny warmth and in the courtesy and friendliness of its people. He was as sensitive to aspersions on their good repute as one of themselves. Editors who published sensational reports of Cuban risings felt the lash of his indignation for failing to discover "the finger-marks of the fakir" in despatches from "left-over representatives of the Northern press."

"A general leaving town without any apparent reason is 'taking to the woods' to start an insurrection; and a movement of a detachment of the Rural Guard, a movement of the Cuban army. . . . I venture to say, in this case, that the general in question went out to buy cattle or sweet potatoes, or on some other business of the kind."

Again, on receiving a copy of some verses on the theme of the "white man's burden," entitled "Uncle Sam's Birds," he wrote, "I look upon

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such expressions as only irritating . . . I feel just as little sympathy with the recent lines of Mr. Kipling on a similar subject, your lines being, no doubt, like his, very good, but the prevailing sentiment, without doubt, damned bad and un-neighbourly."

At this period of his life nothing so savoured of the fullness of pleasure as the happy months he devoted every year to looking after the construction of branch lines and to bringing the railway and all subsidiary enterprises to the top level of efficiency. His life on the island was simple. Always up early in the morning, he had plenty to occupy him in the routine of railway administration and operation, the sugar-mill and plantations (now greatly extended) at Jatibonico, the experimental farm near Camagüey, and another large sugar-mill and plantation at Jobabo; or in lending his assistance to the erection of new docks at Havana which would revolutionize the century-old methods of loading and discharging cargoes at the capital port. As at St. Andrews and Selkirk, he played with breeding horses and cattle, and since he was never completely happy unless building something, he now resolved on the erection of a new home in Cuba—a resting-place where he would spend some of his declining days. He selected a site in the high and healthful interior at Camagüey, and began to draw designs for a palatial residence in the Spanish style, with a

## COVENHOVEN

patio and terraced gardens. When this new home—"San Zenon des Buenos Aires"—was complete in every charming detail, he would bring his family there and astonish them with the beauties of a place created as if by magic at his call.

Before beginning San Zenon, he built new greenhouses and enlarged his summer home at Covenhoven. The extension included quarters for his little grandson, which were furnished and decorated throughout in the low tones of blue and white of the popular Delft earthenware. Everything in and about the rooms was of Dutch design, and around the walls of the nursery he painted with his own hand a deep frieze which depicts Dutch children at play in their quaint costumes. It bears the legend: "Painted in the summer of 1910, in commemoration of the third Birthday of William Cornelius Covenhoven Van Horne, by his loving grandfather."

At Covenhoven he found another new amusement. Believing and preaching that Canada should utilize her natural resources and not rely upon the United States and Europe for the finished products, he was ready to demonstrate the strength of his convictions when a proposal was made to him to start a factory for the curing and packing of sardines. Persuaded that the immense shoals of young fish that came up with the tide between his island and the mainland were too valuable to be wasted, he enlisted the interest of

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several of his friends and organized a company. The canning plant was erected at Chamcook, about two miles from Covenhoven and four from St. Andrews, and since local and experienced labour for the industry was not available, he arranged to bring some scores of young women from Norway to pack the fish. To provide house accommodation for them, he designed and built dormitories and a central building with dining and recreation rooms. But the enterprise was unfortunate from the beginning. When the Scandinavian women arrived, essential parts of the machinery were still lacking and the work could not be begun. The capital outlay was too large, and rendered the company ill-fitted to compete with other canning concerns that were operating successfully with far more modest plants and with far lighter overhead charges.

"When I saw Van Horne on the site with his paper and pencil, sketching plans for the dormitories, I knew my \$25,000 was gone," said one of his associates.

Many of the women were lured away to other factories. The management was inefficient. When the plant was in running order, the fish chose to frequent other waters for a season. He nursed the company for two or three years, and had invested \$200,000 in it when the Great War broke out and upset all business. Then, his age and the state of his health making it impossible for him to give

## THE PARKS COMMISSION

it his own active supervision, the plant changed hands, the original shareholders realizing very little on their investment.

To return, however, to 1910. His retirement from the chairmanship of the Canadian Pacific and his partial withdrawal from business suggested to friends that his energies might now be turned to public affairs. Various public positions were offered to him and declined. Sir Wilfrid Laurier asked him to undertake the chairmanship of the Transportation Commission, but although his lifelong interest in transportation problems made this the one position he would care to fill, he felt obliged to refuse it on account of his affairs in Cuba, which frequently took him away from Canada for weeks at a time.

He accepted, however, a new responsibility, which he regarded less as a public office than as a duty that he owed to the city in which he had lived for thirty years. At the request of Sir Lomer Gouin, the Premier of Quebec, he assumed the chairmanship of the Metropolitan Parks Commission, appointed to report a plan for the improvement of Montreal and its environs. He had always been an ardent apostle of the beautification of towns and cities, of wide streets and thoroughfares, of adequate parks and playgrounds. His plans for farming-villages in the prairies had never been adopted by the Canadian government, but they had received enthusiastic recognition

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in other quarters. Lord Grey, who classed him with Cecil Rhodes as one of the few practical idealists whom one met in life's journey, had begged for his diagrams for Lord Selborne, the High Commissioner of South Africa, and for the British South Africa Company. They had excited the interest of Rudyard Kipling, who was also interested in the settlement of South Africa, Booth Tucker of the Salvation Army, and others interested in colonizing, as well as the professional experts, Henry Vivian, Thomas Mawson, David Burnham, and Nolin Cauchon, the Canadian.

Now a wave of enthusiasm for city-planning, garden suburbs, parks and playgrounds had swept over from the United States into Canada and was everywhere stimulated by the untiring encouragement of the Governor-General, Lord Grey. Olmstead was brought in from the United States, and Vivian and Mawson from England, to address innumerable meetings of citizens. Groups in every progressive city became actively alive to the value of adequate civic centres. Ambitious western cities, deploring their mushroom growth and matchbox architecture, paid high prices for plans to guide their future construction. Provincial legislatures enacted excellent town-planning acts. The Laurier government set an example in undertaking an extensive scheme for the beautification of Ottawa. And at last a group of enlightened citizens had succeeded in stirring the Quebec

## TOWN-PLANNING

government to appoint a commission to plan the future of Montreal.

Distrustful of political bodies and believing that municipal development should be treated on business lines, and not as a matter of philanthropy, Van Horne entered upon his duties *con amore*. His work in planning railway-stations and hotels, their sites and approaches, in Canada and Cuba, and in laying out and beautifying the grounds of Covenhoven and San Zenon, whetted his appetite for larger plans. He set to work immediately with W. D. Lighthall, a member of the commission, and with him determined that their first recommendations should deal with the improvement of the houses and the provision of air spaces in the poorer districts of the city. Before making any recommendation, however, it was necessary to have a survey of the city on which to base the recommendations. These would be kept within reasonable limits and would form part of a comprehensive plan, which could be developed gradually as it became financially possible for the municipal authorities to carry it out. Olmstead was invited from Philadelphia to advise them.

But the Quebec government had failed to make any appropriation for the commission's expenses. The City Council, which should have supported it, was dominated by a group of men who, destitute of civic pride and without a single ideal of good citizenship, saw no tortuous method of

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turning the work of the commission to their own immediate personal profit. For four years the commission sought fruitlessly to obtain funds. Before that period was over, financial depression had set in. The phenomenal prosperity which the country had enjoyed during the building of the Grand Trunk Pacific, the National Transcontinental, and the Canadian Northern railways was accompanied everywhere by a riotous speculation in land values and extravagant borrowings by municipalities. The cessation of large railway expenditures was inevitably followed by a collapse of the land boom and by financial depression. The furore for town-planning died away. No financial assistance was ever given the commission, "not even a postage stamp," and Van Horne's goodwill and that of his colleagues was hopelessly exhausted. Eventually, in April, 1914, he suggested that the commission should defray by personal contributions the obligations they had incurred, and then dissolve. The commission was, as he remarked, "still-born."

Few had striven more than Van Horne to build up the trade of Canada, and few had ever been in a position to do so much. He had often complained bitterly of governmental sloth and lack of enterprise, and had praised the Kaiser for throwing his imperial prestige and influence into the scales to promote the growth of German trade. He resisted all of the many recurrent

## IMPERIALISM AND RECIPROCITY

attempts to win his support to British imperialism, even the imperialism of Joseph Chamberlain, founded, as it was, on trade relations within the Empire.

To a soliciting propagandist he wrote:

There are innumerable organizations with imperial objects in view, but no one of them has as yet, so far as I can judge, accomplished anything of consequence. Imperial unity depends upon two things—the need of common defence and trade considerations; indeed, trade considerations may be mentioned alone, for these in the end will override all other questions. Patriotic sentiments have never in the history of the world stood long against the pocket-book. This is an unhappy truth which cannot be escaped. They who contribute to the upbuilding of trade within the Empire do vastly more towards the permanency of the Empire than those who contribute ships of war. Trade established, it must be protected; therefore, warships. Ships of war are not built to protect trade that may be, but trade that is. From every point of view, trade is and always will be the vital question upon which patriotism, common defence, and everything else will depend; therefore, I trust that you will pardon my inclination to devote my substance and my efforts to the upbuilding of King Trade.

Free trade within the Empire, or Imperial Federation based upon reciprocal preferential relations between the constituent parts of the Empire, conflicted directly with his conception of the necessities of Canada. He was an ardent supporter of the National Policy. He was convinced that it was vital to a young and growing country, like Canada, to maintain a strong customs-

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tariff against all nations while she was building up industries to utilize her natural resources. The sudden announcement, therefore, that the Laurier government had arranged the terms of a treaty of reciprocity with the government of President Taft filled him with consternation.

On February 25th, 1911, he wrote Collingwood Schreiber:

We are now being plunged into unknowable conditions through reciprocity, and I am feeling very much depressed. The C. P. R. is able to take care of itself whatever may come, but the splendid industrial and commercial situation of the country, which has been brought about in the last thirty years, is certain to be damaged almost beyond repair if the pending agreement is ratified, as it probably will be. We shall trail at the tail of the commercial cart of the United States. Canada must largely lose her independence, and her splendid ocean service will suffer heavily. The results may not be apparent for a year or two; it takes commerce some little time to adjust itself to radically changed conditions. Among other things it will take J. J. Hill two or three years to raid the Canadian northwest, as he surely intends in the event of reciprocity. I am disgusted and discouraged, and am seeking new words to adequately curse those who are responsible for this childish performance; and the country will need lots of such words shortly.

The reciprocity proposal came to him, as to most Canadians, with all the elements of a surprise. As a capitalist and still the captain of various important Canadian enterprises, it was natural that he should be alarmed. But his Canadian interests were strongly entrenched and secure

## FIGHTING RECIPROCITY

from the dangers of political changes. Their protection was the least element in his concern. He saw, or thought he saw, in the proposed agreement "the splendid work of generations traded away—our industrial position sold—for a few wormy plums."

"Our trade," he said, "is \$97 per capita; that of the United States, \$33. In other words, the water in our millpond stands at 97, theirs at 33; and they want us to take down the dam." "Who would give up four aces in the hope of getting a straight-flush?" "Shall we play gosling to the American fox?"

He saw in dire peril his own splendid achievements and those of his associates in the building of the Canadian Pacific Railway, with its numerous spurs and far-flung branches, and in the development of the whole country tributary to it. The currents of trade would no longer flow east to west and from west to east, but from north to south and from south to north.

"Shall we be permitted to recede from reciprocity," he asked, "when Mr. Hill has extended his seven or eight lines of railway into the Canadian Northwest—lines which have for some years been resting their noses on the boundary line, waiting for reciprocity or something of the kind to warrant them in crossing—and when other American channels of trade have been established affecting our territory, and when the American

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millers have tasted our wheat and the American manufacturers have got hold of our markets? Shall we be permitted to recede? Not a bit of it! We are making a bed to lie in—and die in.”

Loyal to the core to his adopted country and absolutely convinced that ruinous consequences would flow from ratification of the reciprocity pact, Van Horne took off his coat and threw himself into the fray.

“I am out,” he said to a reporter, “to do all I can to bust the damn thing.”

Sentiment for British connection or antagonism to the American flag had no place in Van Horne’s mind. He was only bent on preserving for Canada the trade that she had slowly built up in spite of the Dingley Tariff, “which crowned the United States’ tariff walls with broken glass bottles and barbed wire.” Prevented by that high wall from expanding her trade in its natural channels, she found herself and her powers in developing a foreign trade and a merchant marine which were relatively far bigger than those of her giant neighbour. Canada must not now be enticed to pass through that wall by any breach and pay tribute to the American manufacturers who had erected it with the special object of keeping out Canadian products. To illustrate the danger to the transportation systems of the country, Van Horne prepared convincing little maps which showed the railroads controlled by J. J. Hill, with

## AS A PUBLIC SPEAKER

sixteen branch lines laid to the Canadian border. As ardently as Hill, the born Canadian and the most farsighted and statesmanlike economist of the time in America, was working for reciprocity, Van Horne, the son of Illinois, was working in Canada to kill it.

Deadlocked on the reciprocity pact, the Canadian Parliament was dissolved, and Sir Wilfrid Laurier went to the country on the issue. Pressed by the Conservative party to contest a constituency, Van Horne declined, because he was "neither a politician nor a speaker." An admirable raconteur, patient and lucid in exposition, and unerring in his approach to the heart of a problem, he was painfully deficient as a speechmaker. Not even when presiding over a meeting of the shareholders of one of his own companies did he make an advantageous appearance. "Man to man he was invincible," but he made a poor figure on his feet. No effort of his strong will, and he made many, enabled him to overcome the diffidence arising from an excess of self-consciousness and an instinctive hypercriticism of the forms of address. This defect undoubtedly made him shrink from filling that place in the public life of Canada and Montreal for which his other preëminent qualities so well fitted him. But now, under the urgency of the peril threatening the country—so much greater than that of the reciprocity proposals which he had fought in 1891—he conquered his

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reluctance to speak in public and addressed meetings in St. Andrews, St. John, and Montreal. His speeches were devoid of all rhetorical art, and he was compelled to read them, but his closely reasoned arguments, replete with terse epigrammatic phrases and vital with power and conviction, were carried by the press from the Atlantic to the Pacific. They probably contributed more than the utterances of any one man on the Canadian side of the boundary to the overwhelming defeat of Laurier and reciprocity at the polls. In the election, which ended a campaign surpassing in intensity those of 1891 and 1896, Van Horne cast the first political vote of his busy life, and was frankly jubilant over the result.

"I have no doubt that reciprocity is dead and beyond the hope of resurrection, and count on remaining in the shade of my vine and fig-tree the rest of my life."

He hoped and expected great things of the new government, which should "set up a standard of morality which nobody will dare in the future to lower, such a standard as was set up by President Cleveland at Washington. . . . The most important thing is a perfectly clean ministry, without a man in it whose reputation has been at all smirched."

Having assisted in electing the new government, he felt justified, while rejecting every suggestion

## ADVICE TO THE PREMIER

of office for himself, in offering his advice upon cabinet-making and policy.

"And now," he wrote the new Prime Minister, Robert L. Borden, "may I once only . . . obtrude one or two suggestions as to the future. The Conservatives of Canada have been long enough out of power to have lost the office-holding habit, and there are few 'left-overs' to claim anything. You can, therefore, commence with new and sound materials and build an enduring structure, and one that will stand as a model for future governments. . . . A benignant Dictator is what we need—one who will not hesitate to kick friend or foe in the interest of honesty and good government."

The new Premier "should never," he wrote, "permit anybody to doubt for a minute that he is *The Leader*. Laurier made the mistake, in the first place, of taking in too many leaders, and he never has been the actual boss. If he had been, he would not have let Fielding run away with him in the Reciprocity matter, nor would he have permitted a good many other things in other Departments. He is a good illustration of the danger of an honest head and a soft heart."

Van Horne made a forcible plea that the Georgian Bay Canal should not be permitted to fall into the hands of promoters, and vigorously urged upon the Premier's closest friends the cutting out of "four cancerous spots on the body

## SIR WILLIAM VAN HORNE

politic;" the administration of public lands by the Department of the Interior, and the political administration of Public Works and of the National Transcontinental and Intercolonial railways. He was convinced that if administered on strictly business lines, the Intercolonial could be made to pay a reasonable sum into the national treasury every year, instead of inflicting an annual drain upon it. To this end, he advised taking the Intercolonial out of politics and putting it into the hands of three competent commissioners.

Notwithstanding his long experience, his letters at this time disclose a naïve credulity in the fulfilment of pre-election promises of reforms and improvements. He had not the least doubt that the Premier would carry out his promise "to take vigorous steps toward the necessary means of transportation to enable the Maritime Provinces to reach the Cuban, West Indian, and Central American markets." He regarded it as certain that the government would at once actively advance the building of steel ships in Canada to build up a notable merchant marine, and thought that the tonnage bounty that would necessarily be granted "would be a better use of public money than has been made for a good while."

He had not lost his warm regard for Sir Wilfrid Laurier. But it was with mixed motives that, two days after the election, he suggested that

## HIS SUGGESTIONS IGNORED

Sir Wilfrid should be offered the High Commissionership in London, for, he said, "as High Commissioner he would be out of politics, and his appointment would take away from the remnant of the Liberal party every atom of respectability." But Sir Wilfrid elected to remain in the House of Commons and lead his vanquished party. Other suggestions were either ignored or failed of adoption. The one man he wanted to see in the cabinet was left out; and the one whom he wished to see excluded, because "he would bring any cabinet under suspicion, no matter who else might be in it," was taken in. Nor was he destined to see fulfilled in his lifetime the pledges for the promotion of shipping and trade to which he attached so much importance.



## CHAPTER XXVII

### HOLIDAYS AND ILLNESS

**A**FTER the close of the election campaign Van Horne began, at seventy years of age, to enjoy a life of comparative leisure. Apprehensive of a period of general financial depression, he disposed of his remaining interest in the Guatemala Railway and sought further to contract his business responsibilities to the point where they would give him steady and varied occupation without drawing heavily upon his time or energy. The anxiety of financing his Cuban enterprises was at an end, for they were at last on a remunerative basis and giving promise of highly satisfactory profits in the immediate future. His visits to Cuba were now in the nature of holidays, in which he could amuse himself with setting out wild orange, oleander, hibiscus, and bougainvillea in the gardens of San Zenon, or arrange for the importation and distribution among the farmers of Africander cattle or of Basuto-Arabian horses which had become famous for their endurance as Boer cavalry mounts in the South-African War.

No one was ever better equipped with resources for his leisure hours. In Montreal or Covenhoven,

## SIR WILLIAM VAN HORNE

when he was freed from his correspondence and the entertainment of his guests he had his romps with his grand-child, his farms and stock, the sardine plant at Chamcook, and his painting. His thirst for collecting was as keen as ever, and as often as the state of his exchequer allowed he was adding a Zurbaran an El Greco, a Goya, a van der Helst, a Hals, or some other important canvas to his other Dutch and Spanish pictures which made his collection notable among the art collections of America. His taste was ever broadening, and examples of post-impressionists—Cézanne, Stern, Toulouse de Loutrec and others—now found places on his walls.

He set aside several days in June, 1912, for a holiday under the Stars and Stripes. He returned then to Joliet to take part in a Home-coming Festival in the town of his boyhood. Just fifty years had elapsed since his appointment as the Chicago and Alton's station-agent in that city. From every point of the compass came the sons and daughters and former residents of Joliet, and among them all, as the world counts fame, he was the most illustrious. But the "Old Boys" of Joliet rejoiced less in the record of his achievements and the tale of his honours than in the discovery that, though grey and older and bigger, he was at heart the "Will Van Horne" of half-a-century ago. All the townspeople united to do him honour. At a public meeting he recalled for

## A FESTIVAL AT JOLIET

them his first visit to Joliet, when his father brought him from Hickory Creek to see his first circus, and some of the incidents of his early struggles. He visited the site of his old home and the graves of his parents, and found still living the aged woman who had taught him in the old brick school-house. He exchanged memories and swapped stories with surviving members of the erstwhile Agassiz Club, and with old engineers and trainmen who had spun yarns with him in the little "Cut-Off" office.

He came back to Montreal feeling that the reunion with the friends of his youth and early manhood had been one of the most joyful episodes of his life.

In these later days of greater leisure he turned to writing as to an untried branch of art. He wrote a string of chiselled aphorisms to form a tiny gospel of Humbug, which he was wont, half in earnest and half in jest, to put forward as the greatest motive power of mankind, and on the whole, a beneficent one. That it was not, for him, a new doctrine is evident from a passage in a letter, written in 1909, which also shows that his antagonism to J. J. Hill, whom he had secured for one of the original shareholders of the Cuba Company, did not extend beyond the clash of rival railway interests:

"The greatest men of the past were all Masters of Humbug, and so are the greatest men of to-day,

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including our friend J. J. Hill, and I don't say this in any derogatory sense, for I feel a real respect and admiration for him, because in the main he has applied his mastery of Humbug to very useful purposes, which cannot be said of most of the great masters in this line."

To entrap such of his friends as professed an acquaintance with the writings of Nietzsche, Van Horne wrote some apochryphal discourses which he passed off as a newly discovered section of "Thus Spake Zarathustra," and which matched very closely the style, if not the substance, of that remarkable work. He was happier in the motto which he gave to Colonel Sam Hughes for the Canadian Boy Scouts: "Discipline is the foundation of Character and the safeguard of Liberty." But it has a familiar sound.

His prominence, his breadth of knowledge and wide experience, and his reputation as a storyteller brought him many requests from American and Canadian editors for articles. He dodged these and others for addresses at meetings of various societies and public bodies. But when it was a question of a message for youth, he gladly responded. Believing in simplicity of education and in stripping all non-essentials from the curricula of schools, he invariably pointed to *work* as the key to success. His "one best formula" for success in any career was: "Interest—Work—Facility." The first induced and stimulated the

## FIRST DEFINITE ILLNESS

second, and practice of the second brought the third. "Nothing is too small to know, and nothing too big to attempt," was one of his favourite maxims. "If you approach a big thing, make an extra effort and do the biggest thing," was another. When the Canadian government was considering the erection of a Canadian building in London, he wrote Sir Robert Borden that if such a centre were undertaken, "it should be done in the biggest kind of way . . . to convey to Great Britain and all the world an adequate sense of the wealth and importance of Canada."

In November, 1913, he was persuaded to speak at a Canadian Club luncheon in Toronto. After the luncheon he was seized with a chill, followed by a sharp attack of inflammatory rheumatism. He hurriedly changed his plans for a brief stay in Toronto and returned to Montreal overnight. The "Montreal Gazette" published an alarming report of his illness, and a crowd of reporters met his train. This so annoyed him that he walked the length of St. James Street in order to show how well he was. His rheumatic leg rebelled against such treatment, and he reached his home quite exhausted and had to take to his bed. It was the first definite illness he had known.

"I never dreamed that I should be caught by rheumatism or anything of that sort, and I am both unhappy and ashamed."

In the notes he dictated to his friends he dwelt

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more upon his "surprise and humiliation" than on the pains of arthritis. This in itself was a commentary upon the great physical energies on which he had drawn so generously, so heedlessly, out of a reservoir that now proved to be fed by no eternal fountain of youth. Lying on his back and swearing at "this infernal rheumatism," Van Horne was convinced that the many messages of sympathy and good wishes did him more good than the doctors.

"Somehow, during all these miserable weeks the recollections of old friendships have come to me vividly, and I have thought frequently of you, regretting that in late years I have seen so little of you."

But to have tried all the remedies that accompanied the messages would have quickly put an end to all his pain and to everything else. A Japanese friend came to Montreal in person to apply poultices made from the nuts of Cape Jessamine, and these gave him some relief. Friends in Cuba sent him a quantity of green-cocconut-water, in the efficacy of which he had some faith and to which, as a beverage, he had become addicted since his early visits to the island. Isaac Cate, an old friend of his Missouri days, came up from Baltimore, bringing his own osteopathic physician with him. This kindly act was a return of bread cast upon the waters, for he had once succoured Cate when the latter had been

## CIRCUMVENTING THE DOCTOR

injured in an accident while traveling on the St. Louis, Kansas City and Northern.

When the rheumatic fever finally abated, a carbuncle developed on his knee and held him prisoner to his room. He was not a submissive patient. For thirty years or more he had been an inordinate smoker, and when the physician forbade him more than three cigars a day, the restriction was more than he could stand.

"See how I circumvent the doctor," he said, showing a cigar about a foot in length and an inch and a half in diameter. "I have had these specially made for me and smoke three of them a day; and each of them gives me a good smoke for two hours."

To wile away the weary hours of confinement he turned to light literature as to an opiate, and sought recommendations of bed-time books.

"There ought to be a jury to do such things," he remarked, "and save the time of busy people."

Reading had never been one of his pastimes, and he had had neither time nor inclination to be a bookish man. All his life he had been accustomed to resort to books for information on subjects that interested him, in much the same way as he wrung knowledge from other people. He cared little for poetry or philosophy, and was more at home with a governmental blue-book or a scientific treatise than with fiction. But he had contrived to dip into many of the modern novels

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that were, from time to time, among the current topics of conversation of the friends who came to his table; and if his desultory reading of the novelists had been far from copious, his tenacious memory of everything he had read helped him to hold his own in discussing a fairly wide range of authors. His criticisms of their work were as positive as his other opinions, but, when analysed, they consisted of little more than the expression of his individual preference or dislike. The corner in his library devoted to tales of buccaneers and filibusters bore witness to his fondness for action and stirring incident. Romantic fiction was not always easy to find, and he had small patience with the growing tendencies of modern novelists to introspection and analysis, and none whatever with those who pander to a public craving for salaciousness. Psychology and ethics he could obtain from more authoritative sources than a novel. At last he was driven to exclaim:

“Give me anything but analytical novels or character sketches. I want something doing. I don’t care a rap for the moral processes that make character. . . . I don’t care why people do things in novels or in real life. Working out motives and lines of thought is about as useful as a signboard on Niagara Falls. Nothing is left to your imagination.”

By the end of January, 1914, he was learning to walk on crutches and arranging to meet

## CONVALESCENCE

friends in London, Paris and The Hague in the spring. He had many weeks of convalescence ahead of him, however, and he spent it chiefly in reading and driving and hobbling about among his beloved pictures. But he was sufficiently strong to furnish a London paper with a statement on Canada's financial outlook, to offset the many damaging rumours and articles then appearing in the English press, and to defend Canada from Sir George Paish's indictment of her for overborrowing. Conceding the bad effects of "a long continued balance of trade against any country without a corresponding increase in population and development," he asserted that the prevailing depression was not due to excessive speculation, but that the extraordinary importations of Canada in the preceding ten years were due to her extraordinary needs arising from the development of her agriculture and her increase in population. With all his old faith in the country, he predicted that "when the new agricultural population gets fairly established and production comes up more nearly to the capacity of the land, the balance of trade will quickly adjust itself without any financial jolts."

In the middle of April, when he could throw away his crutches and lean on a walking-stick, he felt himself ready to resume his normal life once more. Deferring his contemplated journey to Europe and ignoring his doctor's advice to

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betake himself to some curative springs, he took the ordering of his life into his own hands again and went directly to Cuba. There, in the warm sunshine, with the beautification of San Zenon to occupy his mind, he quickly recuperated, though his lameness still lingered. Returning to Canada, he declared he never felt better or more cheerful. After a few days in Montreal, he proceeded to Europe with his son on the last of his Jasonlike voyages in search of gold, fortunately missing through a slight delay the passage he had booked on the ill-fated "Empress of Ireland."

In addition to financial business, he was bent on securing one of the recently discovered Lohans, the famous porcelain statutes that had once adorned an ancient Chinese temple. The Lohan was to be one of the choicest ornaments of San Zenon, and he had already sketched in his mind an exquisitely simple shrine he would build to contain it. He had a glimpse of the superb specimen that Sir Hercules Reid had obtained for the British Museum, and pursuing his search with boyish eagerness, found two others on the Continent. These, however, he rejected, and temporarily abandoned the pursuit because he could not be satisfied with anything less perfect than the specimen that stood in the basement of the British Museum awaiting an adequate setting. He was lucky, however, in obtaining for his already unrivalled collection of ship-models a

## HIS LAST VISIT TO EUROPE

very fine old Dutch caravel which was coveted by the Kaiser, and which some German connoisseurs were on the point of buying with the object of presenting it to their imperial master.

Then, with his son and M. Klechzkowski, a member of the French diplomatic service who had held the French consulship in Montreal, he went through the châteaux district along the Loire—a treat he had long promised himself and the only motoring he had had the leisure and the inclination to enjoy. He bought a few pictures in Paris and purchased an exquisite screen by Matthew Maris.

Like its predecessors, the last of his hurried visits to European cities was crowded with invitations and financial consultations. It was fittingly concluded by a visit to his old friend and colleague, Lord Mountstephen, now resting quietly in his beautiful Hertfordshire home.

He had barely returned to Montreal when the Great War crashed like a thunderbolt upon the world. He was inclined to think that the war-clouds would soon blow over, and he said that in the meantime he would run down to St. Andrews to see his family and “look after the fortifications of my island.”



## CHAPTER XXVIII

### THE END OF A GREAT CAREER

**T**HROUGH the fateful events of August, 1914, Van Horne held to his belief in the basic sanity of men and hoped for the termination of the conflict within the year. War did not oppress him. He remembered well the Civil War, and the material splendour of the industrial era that followed it had led him to the conclusion that war was, in the long run, beneficent. Asked for his views on a league to enforce peace he said, "He who persistently follows the road to peace, unarmed, will return naked," and he professed to see a close relation, as of cause and effect, in the fact that the world's first great peace movement had been followed by the world's most terrible war.

In 1910 he had written S. S. McClure, the well-known publisher of New York:

I do not believe that universal peace is either possible or desirable. If it were possible and could be brought about, I feel sure that it would result in universal rottenness. All the manliness of the civilized world is due to wars or to the need of being prepared for wars. All the highest qualities of mankind have been developed by wars or the dangers of wars. Our whole civilization is the outgrowth of wars. Without wars, religion would disappear. All the enterprise of the world has grown out of the aggressive, adventurous, and warlike

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spirit engendered by centuries of wars. . . . Divest the enterprise of the past three or four centuries of its military features, and you would have common robbery and murder, which would long ago have brought chaos . . . Pain and distress accompany wars, and so they do childbirth. It is all the same a hundred years after, and the human race continues and is the better for it. I hold that every nation should be prepared for war. It should not be within the power of any individual to bring about war for his personal ends . . . Napoleon Bonaparte was a curse to the world, but armies are not.

Van Horne took much interest and pride in the speed and efficiency with which the first Canadian units were assembled at Valcartier Camp and transported overseas to the mother country. From "his seat on a stump in the backwoods" he speculated as a railwayman on the measures which could be taken to combat the marvellous efficiency displayed by the German General Staff in the operation of the German railway system and the rapid transportation of their legions to all fronts. But his faith in war as a grand cathartic, cleansing the social system of the toxic accumulations of an era of peace, was soon shattered. His serenity and optimism yielded before that monstrous thing which was relentlessly engulfing the civilization of the world in a deluge of destruction. And as was the case with many others, he could not cling to his conception of war as a beneficent agency in the face of its actual horrors.

## A "GARDEN OF PEACE"

By way of retreat from the shadow of the Great War and the severities of the cold North, he went to Cuba, where "one floats serenely and life is no more wearing than sunshine." Remote from the conflict, life in Cuba had all its pre-war charm. Trade was greatly stimulated and, freed from the competition of European supplies, the sugar plantations were bound to enrich their owners. The Cuba Company was sharing in the prosperity, and although the war on the seas had given rise to difficulties of transportation and storage, Van Horne joyfully predicted that one share of the company's stock would soon be worth \$250,000.

In December, in February of the new year, and again in May, he journeyed to Cuba, entreating many of his friends to go with him and enjoy that "garden of peace" and see the sugar harvested—"a sight well worth going to see, one of the great sights of the world."

Back in Montreal, in the intervals between these journeys, Van Horne found it no light trial to sit in his library and listen to the incessant sounds of drums and marching feet, while his age and his recent illness prevented him from active participation in the work of the world at a time of such tremendous stress and effort. He forwarded to the British Admiralty a suggestion for the detection of the approach of submarines by a method that was based on his experience

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of the devices used by the Submarine Signal Company with which he had been connected. The suggestion was considered by the Admiralty and referred to in the "Lusitania" enquiry, but was not thought feasible of adoption. A field of service in Canada, however, was opened up to him by Sir Robert Borden, who asked him to accept the chairmanship of a commission to study and report upon the development of the resources of Canada. This office, for which he had unequalled qualifications, he promptly accepted, glad to be of use to the people of his adopted country.

Early in June, 1915, he returned from his last visit to Cuba. He was in high spirits and felt particularly well. He stopped in New York to pick up such furniture as he could not find in Cuba for San Zenon, and ordered hundreds of rose-bushes and thuyas for its gardens. He decided to move some of his art treasures—particularly his Japanese and Chinese wall-hangings—from Montreal to his new Cuban home. All his business interests were flourishing as a result of the demands created by the war. He had clung for a score of years to some shares in a Vermont powder company which had been continually on the verge of liquidation. The necessities of the Allies now made these shares very valuable, and he was able to sell them at an unexpectedly high figure.

But soon after his return to Montreal he became

## LAST DAYS

subject to a fever that baffled his physicians and himself. Between periods of enforced rest he continued to direct, in some degree, his widely-scattered business affairs, and made several visits to Covenhoven. While there he prepared, with the vice-president of the Cuba Company, the annual report of their corporation.

He could still give thought to every detail of his affairs, but his apparent weakness and effort in his work caused much anxiety to his family and his guests. They were more disturbed than he, for when, in the early part of August, he felt better, he arranged definitely to begin in the autumn a history of the Canadian Pacific Railway, which he had long and often been pressed to prepare. He also intended in the immediate future to make another visit to Cuba. But these things were not to be. The improvement in his health was only temporary, and more apparent to himself than to others. When the cause of the fever was finally diagnosed as an internal abscess, an operation was agreed upon by his medical advisers. It was performed in Montreal on August 22nd at the Royal Victoria Hospital.

Van Horne rallied bravely from the shock and received several visitors, to some of whom he characteristically outlined an improved type of hospital which he would build when he was well again. The hopes now entertained by his family and friends, however, had no other basis than

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his own strong spirit waging its final earthly struggle. He was loath to go. He had loved all there was of earthly life so warmly, had met every hour with such vivid interest, and was still so boyishly young at heart.

"When I think of all I could do, I should like to live for five hundred years."

On September 11th, 1915, his unjaded spirit reached its final terminal, and the wires bore the sad words, "Van Horne is dead," to every corner of the Dominion.

From three continents messages of grief and sympathy poured in upon the bereaved family. Along the immense system Van Horne had moulded over land and over seas, from Hong Kong east to London, flags drooped in mourning. Throughout the length and breadth of Cuba the churches paid him a tribute never before paid to any but a prince of the church or the royal house of Spain, tolling their bells for the passing of the man who "in little more than one year had done a greater work for Cuba than the Spanish government had accomplished in four hundred and fifty years."

From the hospital his body was taken to the family residence, where it lay beneath the pictures he had so greatly loved. On September 14th, a funeral service was conducted there by the pastor of the Unitarian Church, in the presence of relatives and friends and representatives of His

## THE FINAL TERMINAL

Royal Highness the Duke of Connaught, the Federal and Provincial governments, the consuls-general of foreign countries resident in Canada, the Canadian Pacific, and other public and private corporations.

The funeral cortège from the house to the Windsor Street station of the Canadian Pacific, now heavily draped in white and black, was one of the most imposing that had ever wound a way through the streets of a Canadian city. From Montreal the body was conveyed by a special train to Joliet for burial.

As the funeral train, to which his old car, the "Saskatchewan," was attached, sped across the country, it was greeted at station after station by groups of men who revered his memory and his name. At an appointed hour all traffic on the system was suspended for five minutes in silent homage.



## CHAPTER XXIX

### PERSONAL CHARACTERISTICS

AS has so often been stated in the preceding pages, Van Horne was blessed with a rare physical endowment. He was tall and massively built, and carried himself with the native dignity of a courteous, high-bred gentleman. His head was of noble proportions; his eye clear and penetrating; his features refined, mobile, and expressive of his moods. In conversation his face was constantly lighted up with a merry twinkling smile. His laugh was hearty and jovial. At work with his secretary, dictating letters to the four corners of the globe, he seemed the embodiment of energy, blowing smoke like a factory as he sought in his mind for a word—the most precise—and winding up a letter with a sentence or a phrase like a shot from a cannon. In a business interview he faced his caller, straddling his chair, leaning his arms upon the back, and alternately puffing smoke and flicking the ash from his cigar upon the carpet.

His attitude in repose was frequently one of the most rapt absorption. This he would maintain for several minutes as he stood, for instance, before one of his pictures. It conveyed the impression that he saw through and beyond the obvious features of

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the painting, and was apt to be disconcerting to a less enthusiastic companion. Equally disconcerting were the occasions on which he would apparently ignore a question and delay replying so long that when the answer came, the questioner had forgotten the subject of his enquiry and wondered what Van Horne was talking about. At Copenhoven when, with his two pet collies bounding after him, he took a guest for a walk, he would stop here and there and apparently lose himself for a long interval in silent contemplation of a charming landscape, as naively certain of his companion's participation in his enjoyment as when he roused him from sleep at night on the "Saskatchewan" to look at a beautiful lake or hill bathed in moonlight.

His strength was as the strength of ten men and his powers of endurance phenomenal. He was almost insensible to cold, and required little sleep to restore his vigour. Habitually turning night into day, and eating and smoking in defiance of all accepted precepts of moderation, he boasted late in life that he did not know what a headache was.

"Tired?" he once replied in the small hours of the morning, after a day of toil and several hundred points of billiards, "Tired? I have only been tired twice in my life!"

On another occasion, when he made a hurried journey to Ottawa, he started a game of chess before his train left Montreal shortly after eight o'clock in the evening. At three in the morning

## A BRILLIANT CONVERSATIONALIST

when his car was lying on a siding in the Ottawa yards, he interrupted play by summoning his porter and demanding food. The car had not been stocked with supplies for so short a run, and all the porter could produce was a few hard biscuits and an unopened tin containing not less than half-a-pound—it may have been a pound—of caviar. His opponent having warily refused a share, Van Horne consumed the whole of this and, the mineral water having given out, washed it down with neat whiskey. Finishing the game at five o'clock, he retired for a nap before starting a busy day with ministers and officials.

His conversation was copious, unstudied, and stimulating. "Decisive in judgment and confident in opinion, his sentences were so picturesque and penetrating that even his rasher statements were seldom challenged." Enlivened by flashes of humour and by startling images and colloquialisms, his talk was marred at times by a boastfulness—a boyish extravagance and self-adulation—that might have been annoying if it had not been so well understood by his intimates. Full of enthusiasms, he thought and spoke in superlatives, and did not spare the use of an expletive to enforce his meaning. His early experiences had brought him familiarity with the language of the day in the railway-yard and the construction-camp, but he was not a profane man, and rarely injected profanity into his social intercourse and never into his

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home circle. His more restrained talk with strangers and occasional visitors retained an individuality in which they found a fresh and tonic quality.

His freedom from sentimentality served to emphasize the independence and sincerity of his opinions, but for all that he was an adept in the art of bluffing and a master of humbug. However, he could take as well as give, and as his amiability was generally imperturbable, he betrayed no sign of mortification if he were discomfited. To the last he loved surprises. After a long wait in a New York telegraph-office he heard the expected communication come on the key.

"Here's your message, Sir William?" said the clerk at the wicket.

"Yes, and here is the answer," replied Van Horne, receiving the London message with one hand and tendering his own script with the other.

His studio in his Montreal house, where in later years he often transacted business as well as painted, was always open to his friends. It was not necessary to be an artist or a person of importance to be sure of a hearty welcome to his genial and kindly companionship; it was enough to be interesting, or even to be interested. Whether the chief objective was a game of billiards, a business talk, a discussion of Byzantine art, or what not, "a quiet evening with Van Horne" was something to cherish in the memory, if only for the stories he told. These were not of the kind customarily passed from

## NO BEARER OF MALICE

mouth to mouth, but were narratives of incidents in which he himself had borne a part or of which he had been an observer; and the store was inexhaustible. Of some it might be said, "*se non è vero è ben trovato*," but repetition had transmuted them from fancy into fact. He told them with a wealth of detail, mimicry and gesture, and a quiet drollery that was all his own. They were complete and perfect of their kind, and he was often besought to put them on paper.

In England, where he was the recipient of many hospitable attentions, he never "hit it off," and those who had been made curious to meet him by the tales carried over from Canada were almost invariably disappointed. The explanation is simple. He was out of his accustomed *milieu*, felt himself to be on show, and therefore could not be natural or articulate. The paralysis that afflicted him at a public meeting in Canada clogged his faculties at a private dinner in London. He could not face the limelight in England or anywhere.

Violent in his animosities and not unsparing of vigorous language, Van Horne bore neither malice nor resentment longer than "becomes a quarrel." Thoroughly human himself, he was reticent in condemnation of the frailties of others. Opprobrium seldom fell from his lips; silence and a short sarcastic utterance sufficed, unless treachery or dishonesty had been uncovered. Of divorce, however, for any cause whatever he was intolerant.

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His religion was like Disraeli's, the religion of all sensible men. The first-rate quality of his intellectual apparatus forbade the acceptance of any dogma.

"All my religion," he said one day, "is summed up in the Golden Rule, and I practise it."

"Are you really serious?" asked his auditor, thinking that in its implications the Golden Rule covered the whole duty of man.

"Yes," he replied, "I am serious. I practise it, and I think I am the only man in business who does. What are you laughing at?"

"Well," came the answer, "I have heard of *Me und Gott*, but Van Horne and Jesus Christ is rather a new—"

As the absurdity of his statement was brought home to him, Van Horne's face expanded into a broad grin. "Well, I do the best I can," he said.

In money matters, however, he was undeniably selfish. Money he loved for its own sake, but above all for the treasures it would buy. "Just fancy, with \$500,000 I could have bought five Rembrandts!" He was never unmindful of the financial obligations imposed by family ties. His standing order to his household to send poor supplicants a barrel of flour, and innumerable kindnesses and gifts to the necessitous showed his susceptibility to compassion. Under the compulsion of *noblesse oblige*, he made one or two handsome subscriptions to public institutions. Preferring to make his

## LACKING IN GENEROSITY

contributions anonymously, he did not fail to respond to many of the myriad calls that are made upon the purse of a citizen of wealth and standing. And he left friends behind him who have cause to remember him with gratitude for timely financial help. But he was the son of one of those western pioneers of whom it has been remarked that their early struggles to obtain the necessities of life were so severe and often so terrible that when they had won through to comfort and security, they found it hard to part with money. He grudged giving. In this he was not singular among the rich men of a community which has established a high standing of public and private generosity. Something quite different, however, was expected from Van Horne, and his most ardent admirers could not forgive him for stinginess which, in some cases, fell no way short of meanness. This is a grave detraction from his character, but he **himself** would have said with the Moor,

"Speak of me as I am. Nothing extenuate,  
Nor set down aught in malice."

Stinginess and meanness seemed, indeed, incompatible with his lavish hospitality and other qualities of a warm and rich nature, and his finer instincts sometimes rebelled. He had his moments in which he would confide his intention to do this or that "when my ships come home." But when a ship did come home, the profits of the voyage were already pledged to some new venture or were

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required to reduce an overdraft at the bank or to pay for a painting that he could not resist. If his generous impulses carried him too far in raising expectations, his second thought was quick to dispel them. Traveling one night in his private car, he waxed so enthusiastic over a project for an addition to the building of a public institution as almost to commit himself to its cost. But the next morning, when he parted from his companion, he exclaimed, "I say, Doctor, I must have been very drunk last night."

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